



Petroleum Exploration Society of Australia Ltd
Notice of Annual General Meeting

Thursday 20th May 2021

Dear PESA member,

I have great pleasure in inviting all PESA members to the 2021 Annual General Meeting to be held on **Thursday 20th May 2021**. Due to APPEA falling outside of the statutory period for holding the AGM, the AGM will again be held virtually this year via GotoWebinar (as used for the webinar series) at:

1700 hrs AEST / 1630hrs ACST / 1500hrs AWST

In order to participate in the AGM, members are asked to login to the website and complete their registration at:

<https://pesa.com.au/events/pesa-federal-agm/>

If you are unable to attend I would request that you submit a proxy voting form which can also be completed at the link above. Should you have any issues registering or completing a proxy, please contact the Secretary (secretary@pesa.com.au).

Attached to the notice you will find:

- Agenda
- Minutes of previous AGM
- Chairman's report
- Federal President's report
- Audited accounts
- Motion to change Auditor appointment
- Amendments to PESA Constitution
- Amendments to PESA Rules
- 2021 Service awards
- Motion for merger of NSW and ACT Branches
- Nominations of elected member positions

I look forward to as many members as possible being able to participate in the AGM, with the virtual nature of the meeting allowing for greater participation nationally, compared to the traditional format.

Nathan Parker
For PESA Federal Executive



PETROLEUM EXPLORATION SOCIETY OF AUSTRALIA LTD
2021 Annual General Meeting

Agenda

1. Chairman's welcome
2. Apologies and attendance
3. Acceptance of the Minutes of the previous AGM
4. Chairman's report
5. President's report
6. Treasurer's report
7. Acceptance of the Audited Financial Reports for 2020
8. Auditor appointment
9. Amendments to PESA Constitution and Rules
10. NSW & ACT Branch merger
11. 2021 Service awards
12. Nominations for elected member positions
13. General Business

PESA Annual General Meeting Minutes 25 May 2020

Virtual Meeting – 5.03pm

1. Chairman's Welcome

The PESA Chairman, Steve Mackie, welcomed all attendees to the 2020 PESA Annual General Meeting (AGM). Steve noted that this is the first time the meeting was being held virtually. Steve advised that PESA currently held 20 proxies but that there were additional members online who needed to vote via the Quick Poll screen. A note was provided to the 20 PESA members who had already submitted proxies not to vote again. Mr Mackie thanked Rock Flow Dynamics for their support with all the PESA webinars.

The Chairman declared a quorum was present with 54 members online and acknowledged that 20 valid proxies had been received. With no apologies advised by the PESA Secretary, Sarah Harris, Steve Mackie advised that they held a quorum.

2. Minutes of the previous AGM

The Minutes of the previous AGM meeting were presented and any changes or comments were made open to the AGM for comment. None were received.

- Moved to accept the Minutes of the previous AGM: Mr Mackie advised that the results showed all in favour of accepting. The Minutes of the 2019 Annual General Meeting were accepted.

3. Chairman's Report

The PESA Chairman, Steve Mackie, tabled his report and gave a brief overview. Mr Mackie advised this is the first year that PESA has had a Chairman. The change occurred at the last AGM. It was approved to change the rules to allow for a Chairman to be elected by the Federal Executive and the State Presidents. Mr Mackie stated that it has been his privilege to be Chairman and acknowledged the hard work of the Executive Team. Mr Mackie pointed out the two things that are important to PESA:

1. PESA is about promoting professional and technical excellence in energy geoscience, focused on maintaining professional integrity. Mr Mackie acknowledged the hard work of all the volunteers which have helped direct the strategic plans; and

2. Maintaining a high standard of professional integrity. Mr Mackie noted that the strategic plans are underpinned by values based on integrity, professional excellence, innovation and accountability which are built on four main pillars focused primarily on creating and communicating value to PESA's members. Mr Mackie acknowledged the effectiveness of the webinars in helping create value, and acknowledged the work of the WA President, Helen Debenham, for her hard work with these webinars. Mr Mackie thanked all PESA members for their continued support of the society, with the hope of continuing to grow the society with the help of volunteers.

- Moved to accept the Chairman's Report: Mr Mackie advised that the results showed 100% in favour of accepting. The Chairman's Report was accepted.

4. President's Report

The PESA President, Nathan Parker, advised that 2019 saw an increase in the type of events, including evening events, social events, field trips and the AEGC Conference in Perth. Mr Parker acknowledged the hard work of PESA volunteers for the AEGC Conference and the members who represented PESA in technical committees, for which Mr Parker specifically acknowledged the hard work of John Gorter and Helen Debenham. Mr Parker advised that the success of AEGC was a big contributor to the financial result last year. The 'Towards 2024' Strategic Plan has been released and that work has continued despite COVID-19.

Mr Parker advised that another key activity for PESA during 2019 was the rebuild of the website. PESA had spent extra time ensuring the scoping, tendering, project management and maintenance of the rebuild of the website was accurate, and that the rebuild was project managed largely by Phil Cooney with the help of the Publications and Website Committee. Mr Parker advised that the new website features a technical library which is almost complete (still pending a few items that PESA is currently locating). This new website is enhanced in terms of searchability and encouraged all PESA members to visit the new technical library.

Mr Parker confirmed that the budget surplus in excess of \$140K was largely the result of a successful AEGC. PESA also saw a continuation of the cost focus from the previous committee, such as renegotiation of contracts and ensuring we remain on top of costs, set against an approximately 8% decline in memberships through 2019. Mr Parker said that he sees the strategic plan as vital to retaining members, attracting new members and attracting previous members. Mr Parker stated that it is important for us to remain financially resilient with a shaper focus on costs, including PESA News being online only. While we're not running events to generate income, we need to ensure we find novel solutions to providing value to members. We have also reforecast our budget for the year and making some projections on when we hope to be back for in-person events, which may be as early as the end of July. We will be making a very considered approach to coming back with strong consideration for health and safety.

In closing, Mr Parker thanked all the PESA volunteers, members, Branch Committees and Federal Executive for all their efforts and support for PESA.

- Moved to accept the President's Report: Mr Mackie advised that the results showed 100% in favour of accepting. The President's Report was accepted.

5. Financial Report

The PESA Treasurer, Chris Harwood, presented the audited financial report to the members and advised that PESA had a healthy surplus for 2019 of \$140,619 compared with the 2018 surplus of \$15,821. This surplus was primarily the result of the successful AEGC conference. The operating revenue for the Society at year end 2019 was \$755,898 which was a 19% increase in revenue from 2018. At year-end 2019, total assets were \$1,335,579. Mr Harwood stated that while we were aiming to have a break-even year this year, the circumstances of the global COVID-19 pandemic and the oil price crash are expected to result in a deficit for year-end 2020.

- Moved to accept the Treasurer's Report: Mr Mackie advised that the results showed 100% in favour of accepting. The President's Report was accepted.

6. Nominations of Office Bearers

The Chairman of PESA, Steve Mackie, advised that all positions for the Federal Executive had one nomination per position for the 2019/2020 Federal Executive. The nominations were:

- President – Nathan Parker (QLD Branch)
 - Treasurer – Chris Harwood (QLD Branch)
 - Secretary – Sarah Harris (QLD Branch)
 - Immediate Past President – Toby Colson (QLD (ex-WA) Branch)
- Steve Mackie opened voting for the four Federal Executive positions and advised that the results showed 100% in favour of accepting the positions for re-election for the Federal Executive and thanked the below Branch Presidents for their continued service. Mr Mackie noted there was a change to the President for QLD from Rachel Kieft to Sam Ware. Mr Mackie welcomed Sam Ware to the position as QLD President.
- Chairman – Steve Mackie
 - NSW – Alex Bruce
 - QLD – Sam Ware
 - ACT – Steve Abbott
 - VIC/TAS – Tim O'Brien
 - SA/NT – Bonnie Lowe-Young
 - WA – Helen Debenham

The PESA President, Nathan Parker, thanked Rachel Kieft for her time as PESA President and advised that Rachel would continue on as Co-Chair of AEGC 2021.

7. Constitution and Rule amendments

The PESA President, Nathan Parker, advised that there are two proposed amendments which had been circulated with the notices. Mr Parker advised that the Clause 2 amendment to the Constitution is the result of a drafting error only. The purpose of the amendment is to remove the duplicate paragraphs and renumber subsequent paragraphs in the final document. The Rule amendment 46(3) is clarifying the process for nominating the Federal Executive candidate teams. Currently we have a rotation system in the event that certain Branches are unable to provide a full candidate team. This rule will now provide for mixed committees between States in addition to more flexibility on how we manage this system as a Board moving forward.

The Chairman of PESA, Steve Mackie, called for questions to proposed amendments. Mr Mackie advised that there was one statement that there was a text error on the PowerPoint presentation; however, this was not carried over in the proposed amendments that had been circulated.

- Moved to accept the proposed Constitution and Rule amendments: Mr Mackie advised that the results showed the majority in favour of accepting. The proposed Constitution and Rule amendments were accepted.

8. Awards

The PESA President, Nathan Parker, announced the single Meritorious Service Award nomination for 2020 which was accepted by the Board. Mr Parker announced that Tim O'Brien was awarded the Meritorious Service Award, who is currently serving as the President of the VIC/TAS Branch and is about to enter his fourth term as the President of VIC/TAS.

9. Q&A

One question was received during the Q&A session regarding the status of the Vice President's (VP) position. The Chairman of PESA, Steve Mackie, advised the next rotation after Queensland was ACT; however, ACT was unable to provide a team for the Federal Executive. The Board therefore took the next rotation to VIC/TAS. The Board has been working for the past year for a VP from the VIC/TAS Branch. Mr Mackie advised there was an interested member; however, that member was ultimately unable to take up the position. Mr Mackie advised that the next rotation went to NSW. The NSW Branch is currently discussing whether they can provide a VP for this year and the President, Secretary and Treasurer for the next year. Mr Mackie stated that hopefully PESA can advise an update on a new VP in the near future. Mr Parker also added that with the rule change now approved, a mixed committee may now be possible if NSW is unable to provide a full Federal Executive candidate team.

Meeting Closed by the Chairman of PESA, Steve Mackie, at 5.38pm (Queensland Time).

Signed as a correct version of the meeting:

.....
Steve Mackie
Chairman

PESA FEDERAL CHAIRMAN REPORT

Year ended 31st December 2020

PESA is about promoting professional and technical excellence in energy geoscience. Even though impacted by COVID19, during 2020 we achieved our vision through virtual networking events and webinars as well as in person networking events and monthly technical meetings where legally possible. The innovation of forums to communicate technical innovations and lessons learnt to individuals on a national basis via webinars was extremely well received by members. Presenting views and facilitating discussion of technical and professional matters pertinent to the energy and upstream petroleum industry were successfully achieved via the publication of the quarterly PESA News and the expanding of the technical library.

Our Strategic Plan, "Towards 2024," is built on our Society's values: integrity, professionalism, technical excellence, innovation and accountability. All of us should continually strive to follow our Code of Conduct which embraces these values. I, therefore, want to thank all members for maintaining a high standard of professional conduct. We are the personal face of the energy and upstream petroleum industry and it is a real pleasure to be associated with our members who show such professional integrity.

At our Annual General Meeting, you will be asked to vote on some changes to the Society's Constitution and Rules. These are necessitated by the way we do our business in a digital age as well as merging the New South Wales and Australian Capital Territory branches. These changes will affect immediate improvements but lay the ground work for continued value realisation into the future. I would encourage all members to accept these recommended changes.

One of the unique features of PESA is that it is a volunteer organisation with a continuously changing Federal Board, Federal Committees and State Committees. These groups of volunteers have achieved tremendous results throughout this challenging year. I will leave it to our Federal President to discuss these in detail, but I want to congratulate them on, and thank them for, their efforts. Their ability to deliver benefit to members together with disciplined capital allocation will, we believe, continue to generate value. Our current Federal Executive, from the Queensland Branch, finish their two years of service at our Annual General Meeting, and I want to thank them personally, and on behalf of all members, for their tremendous effort. I have been amazed at what they have achieved during this testing time. I join with all our members in thanking Chris Harwood (Treasurer), Sarah Harris (Secretary) and Toby Colson (Past President) who will be leaving the Federal Board together with Nathan Parker (President), and Bronwyn Camac (Vice President) who will continue as part of the new Executive.

Our incoming Federal Executive will be a first for our Society. It is a unique blend from the South Australian/Northern Territory and the New South Wales/Australian Capital Territory branches. Bronwyn Camac will be the Federal President, Max Williamson (a previous Federal President and recipient of our highest honour, the Distinguished Service Award) returns as Federal Treasurer, Phil Cooney (another Distinguished Service Award recipient) as Federal

Secretary, Helen Debenham as Vice President and Nathan Parker as Past President. I look forward to serving with them together with the Branch Presidents from each of the five state/territory branches who make up the Board.

On behalf of the board, I thank all members for their support as the Society continues to move toward our focus on generating value for you, our members.

Steve Mackie
Chairman

PESA FEDERAL PRESIDENT REPORT

Year ended 31st December 2020

The year that was

It goes without saying that 2020 was a year like no other, with difficulties on so many fronts.

In a normal year, we run close to 200 events, however in 2020, only 68 events (40 physical, 28 virtual) were able to be held. Although there were significantly less events, the circumstances we were faced with provided an opportunity to innovate our offering to members. Thanks to the initiative and drive of Helen Debenham, PESA were one of the first geoscience societies in Australia to embrace regular webinars. Special thanks also go to Rock Flow Dynamics who are a great supporter of the Society through their sponsorship of the webinar series.

Weekly webinars during the time that physical events were unable to be held, ensured that members still had access to high quality technical content on a more regular basis than would have been the case with just monthly technical meetings. Further benefit for members during the “year of living virtually” was delivered by our collaboration with Knowledgette to provide members with free access to a large and diverse range of online content from AAPG, SEG, SPWLA and CSPG.

I would like to recognise all of our State Branch Committees who, from the day we suspended physical events, were constantly working to be ready for making sure we could meet in person as soon as possible. Thankfully, we were able to hold a number of physical events in the second half of the year, including very well attended Christmas events. After such a tough year it certainly was great to be able to reconnect with friends and colleagues.

In light of the reduced activity, and subsequently reduced revenue, there was a strong emphasis placed on cost reduction in 2020. This review was conducted through a lens of ensuring sustainability of the Society while not jeopardising delivery of value to all members.

The most noticeable outcome of this cost review was the decision to change PESA News to an online only format. I appreciate that many of you enjoy flicking through the magazine once a quarter but moving away from the traditional printed format has resulted in a 40% reduction in the cost of producing the magazine. With advertising revenue having declined over a number of years, myself and the Board felt it prudent to take the decision to move to soft copy. Several options were considered but ultimately, this approach allows delivery of high-quality content to continue, on a quarterly basis. We will produce a small print run for APPEA where exposure in a hard copy edition will be more attractive to advertisers.

In 2020, the Board also commenced a multi-year review of all our contracts, starting with our secretariat (including membership and advertising sales). Following an exhaustive tender process, we decided to streamline our secretariat services by utilising a single provider, with the successful tenderer being Association Professionals. This has resulted in a 26% reduction in our annual administrative costs, our largest expense line item. Ron Adams and the team at

CASM, and Alison McLeod provided many years of service to the Society and their support over those years was much appreciated.

Progress towards implementing the 'Towards 2024' Strategic Plan continued in 2020 but unfortunately was hampered in part by restrictions on undertaking some of the planned initiatives. One critical initiative that was completed in 2020 was rebuilding the PESA Technical Library and integration into the new website environment. This is a highly valuable resource available free to members and this work ensured that it is highly usable and accessible. As we get more clear air and easing of restrictions (hopefully...), the Board, Federal, and State Branch Committees will continue working to bring further tangible benefits to current and prospective members.

Membership summary

	31 Dec 2020	31 Dec 2019	31 Dec 2018
Active	708	803	877
Associate	19	32	41
Student	113	203	239
Overseas	30	35	48
Fellow	3	3	3
Distinguished	19	19	14
Retired	83	83	81
Graduate	49	38	29
TOTAL	1,024	1,216	1,325

There has regrettably been a continuation of the declining trend in membership numbers in 2020 (15% total decline, 10% decline in paid members). A key pillar of the 'Towards 2024' Strategic Plan is to enhance and better communicate the membership value proposition, with the aim of arresting that trend.

Of great concern is the ongoing reduction of undergraduate enrolments in Earth Science courses across Australia – this is reflected in the almost 50% reduction in student members in 2020. This has a flow-on effect to Graduate and subsequently Associate and Active member conversion. With fewer new members joining as they enter the industry, re-attraction and retention of experienced professionals is a key element of the 'Towards 2024' Strategic Plan.

Financial summary

Cash and cash equivalents on hand as of 31 December 2020 was \$1,345,442. Overall operating revenue decreased 49% due to fewer events being held in the year. Despite this, we were still able to generate a surplus for the year of \$23,669 compared to a surplus of \$140,619 in 2019 and a surplus of \$15,821 in 2018. The financial impact of lower activity and revenue in 2020 was lessened by the receipt of a one-off historical copyright payment. Full audited financial reports are attached.

Wrap-up

This is my final annual President's Report with my term coming to an end at the 2021 AGM. My thanks to my fellow executive members, Chris Harwood, Sarah Harris, Toby Colson and Bronwyn Camac for all their support and efforts during my term. Thanks also to our Chairman, Steve Mackie and the entire Board for your unwavering commitment to ensuring the highest-level of governance. I would also like to take this opportunity to thank all our hard-working volunteers across Federal and State Committees who give so much of their time to make the Society everything it is. Most importantly, I also want to thank all members for your ongoing support of the Society.

It has been my absolute honour and privilege to have had the opportunity to lead the Society over my two-year term. There have been some amazing highs, such as the AEGC 2019 conference, and also some of the most challenging times many of us have faced. Overall, I'm just proud of how all our Federal and State Committees worked tirelessly with one goal in mind, to deliver value to members, even in the most trying circumstances.

Nathan Parker
Federal President

**Petroleum Exploration Society of
Australia Limited**

ACN 009 061 278

**GENERAL PURPOSE FINANCIAL REPORT -
REDUCED DISCLOSURE REQUIREMENTS**

For the Year Ended 31 December 2020

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

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For the Year Ended 31 December 2020

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DIRECTORS:

ROBERT CAMPBELL RCA, CA, CPA, MSW

VIRAL PATEL RCA, CA, CPA

ALASTAIR ABBOTT RCA, CA, MFORENSIC ACCOUNTING

CHASSEY DAVIDS RCA, CA, AMIA, BCOM

AUDITOR'S INDEPENDENCE DECLARATION

To the Board of Directors of Petroleum Exploration Society of Australia Limited

In relation to our audit of the financial report of Petroleum Exploration Society of Australia Limited for the year ended 31 December 2020, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.



Robert John Campbell, CA CPA

Registered Company Auditor number 334773

Director

Australian Audit

Perth, Western Australia

Dated: 23 April 2021

DIRECTORS:

ROBERT CAMPBELL RCA, CA, CPA, MSW

VIRAL PATEL RCA, CA, CPA

ALASTAIR ABBOTT RCA, CA, MFORENSIC ACCOUNTING

CHASSEY DAVIDS RCA, CA, AMIA, BCOM

INDEPENDENT AUDITOR'S REPORT

To the members of Petroleum Exploration Society of Australia Limited

Opinion

We have audited the financial report of Petroleum Exploration Society of Australia Limited (the Company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of Petroleum Exploration Society of Australia Limited is in accordance with the Corporations Act 2001, including:

- giving a true and fair view of the company's financial position as at 31 December 2020 and of its performance for the year then ended; and
- complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*.

The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are



required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Robert John Campbell, CA CPA

Registered Company Auditor number 334773

Director

Australian Audit

Perth, Western Australia

Dated: 23 April 2021

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Board of Directors' Report

For the Year Ended 31 December 2020

The Directors of Petroleum Exploration Society of Australia Limited ("the Society", a company limited by guarantee) present their report, for the year ended 31 December 2020 made out in accordance with a resolution of the directors, and the independent auditor's report thereon.

Directors

The Directors of the Society at any time during the financial year were:

N. Parker	President	Appointed 2 August 2017
B. Camac	Vice President	Appointed 9 July 2020
C. Harwood	Company Treasurer	Appointed 27 May 2019
S. Harris	Company Secretary	Appointed 27 May 2019
T. Colson	Past President	Appointed 22 May 2015
S. Mackie	Chairman	Appointed 26 August 2019
S. Abbott		Appointed 5 June 2016
T. O'Brien		Appointed 22 May 2015
H. Debenham		Appointed 6 February 2017
R. Kieft		Resigned 25 May 2020
A. Bruce		Appointed 13 May 2018
Y. Lowe-Young		Appointed 2 May 2019
S. Ware		Appointed 25 May 2020

The principal activities of the Society in the course of the year were to provide a medium for the gathering of individuals interested in oil and gas exploration and the petroleum industry in general; to provide a public educational forum for the discussion and consideration of technical aspects of oil and gas exploration and the petroleum industry and to foster and provide continuing education for the benefit of the members of the Society.

State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Society that occurred during the period under review not otherwise disclosed in this report or the financial statements.

Review and Results of Operations

The surplus/(deficit) of the Society for the year was \$23,669 (2019 \$140,619). The income of the Society is exempt from income tax under Section 50-40 of the Income Tax Assessment Act 1997.

The operating revenue of the Society for the year ended 31 December 2020 was \$373,994 (2019 \$755,898). This represents a 50.52% decrease from the Society's operating revenue for the year ended 31 December 2019.

Dividends

The Society is prohibited by clause 6 of its Memorandum of Association from paying dividends to its members.

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Board of Directors' Report

For the Year Ended 31 December 2020

Events Subsequent to Balance Date

The Directors are not aware of any matter or circumstance not otherwise dealt with in the report or the accounts that has significantly affected or may affect the operations of the Society, the results of those operations or the state of affairs of the Society in subsequent financial years other than the following:

The Directors will continue to monitor the impacts from the global pandemic (COVID-19) and respond as required to alleviate any effect on the operations of the Society. The Board will continue working hard to ensure they balance their short-term duties while retaining the longer-term vision for the Society. The Board will be continuing their sharp focus on cost and discretionary spend while continuing to execute the strategic plan to ensure that once we emerge from this challenging period, PESA continues to benefit its members.

Likely Developments

The Directors are not aware of any matters which would affect the operations of the Society in subsequent years and do not expect the results of those operations to be substantially different in subsequent financial years.

Environmental Regulations

The Directors are not aware of any breaches of environmental regulations, under either Commonwealth or State legislation, arising from the Society's operations.

Auditors

Mr Robert Campbell, registered company auditor, of Australian Audit Pty Ltd was appointed as auditor in respect of the year ended 31 December 2020 and continues in office as auditor of the Society.

Information on Directors in office at the date of this report:

Director	Qualifications	Special Responsibilities
Nathan Parker	BSc (Hons), MBA	President
Bronwyn Camac	BAppSc, PhD	Vice President
Sarah Harris	BAppSc (Distinction), BBSCom	Secretary
Christopher Harwood	BSc (Hons)	Treasurer
Tobias Colson	BAppSc (Hons), BSc (Hons), MSc, PhD	Past President
Steven Mackie	BSc, MBA, PhD	Chairman
Steve Abbot	BSc, MSc, PhD	ACT
Timothy O'Brien	BSc, MSc	Victoria/ Tasmania
Yvonne Lowe-Young	BSc, MBA	South Australia / Northern Territory
Adam Craig	BSc (Hons)	Western Australia
Alex Bruce	BSc (Hons), PhD	New South Wales
Samantha Ware	BSc (Hons)	Queensland

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Board of Directors' Report

For the Year Ended 31 December 2020

The Society is a company limited by guarantee and does not have share capital. Accordingly, none of the directors have shares in the Society. None of the Directors have declared an interest in a contract or proposed contract with the Society.

Board Meeting Attendance:

Director	Number of meetings	Attended
Nathan Parker	8	8
Steve Mackie	8	8
Toby Colson	8	8
Sarah Harris	8	7
Yvonne Lowe-Young	8	8
Christopher Harwood	8	8
Steve Abbott	8	4
Timothy O'Brien	8	7
Bronwyn Camac	4	3
Helen Debenham	8	8
Sam Ware	6	4
Rachel Kieft	2	2
Alex Bruce	8	7

Indemnification and Insurance of Officers

During the financial year the Society has paid premiums in respect of Directors' and Officers' liability for the year ended 31 December 2020 and since the financial year, the Society intends to pay premiums in respect of such insurance contracts for the year ended 31 December 2021. Such insurance contracts insure against certain liability (subject to certain exclusions) persons who are or have been Directors or Officers of the Society.

Directors have not included details of the nature of the liabilities covered or the amount of the premium paid as such disclosure is prohibited under the terms of the contract.

Auditor's independence declaration

The Auditor's independence declaration is set out on page 3 and forms part of the directors' report for the financial year ended 31 December 2020.

Signed in accordance with a resolution of the Directors.


Nathan Parker (Apr 23, 2021 16:57 GMT+10)

Director : Nathan Parker

DATE: 23 April 2021


Christopher Harwood (Apr 23, 2021 17:10 GMT+10)
.....

Director: Chris Harwood

DATE: 23 April 2021

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Statement by the Board of Directors

For the Year Ended 31 December 2020

In the opinion of the Board of Directors of Petroleum Exploration Society of Australia Limited:

- The financial report presents a true and fair view of the financial position of Petroleum Exploration Society of Australia Limited as at 31 December 2020, and its performance for the year ended on that date, in accordance with the Corporations Act 2001 and comply with Australian Accounting Standards – Reduced Disclosure Requirements.
- The operations of Petroleum Exploration Society of Australia Limited have been carried out in accordance with its constitution.
- At the date of this statement, there are reasonable grounds to believe that Petroleum Exploration Society of Australia Limited will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board of Directors by:


Nathan Parker (Apr 23, 2021 16:57 GMT+10)

Name: Nathan Parker
Position: President
Date: 23 April 2021


Christopher Harwood (Apr 23, 2021 17:10 GMT+10)

Name: Chris Harwood
Position: Treasurer
Date: 23 April 2021

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2020

	Notes	2020 \$	2019 \$
Membership Subscriptions		88,048	109,883
Function revenue	2	151,208	554,273
Publications revenue		109,038	64,589
Other income		8,766	4,710
Interest		16,934	22,444
Total revenue from operating activities		<u>373,994</u>	<u>755,898</u>
Depreciation and amortisation		(7,801)	-
Function expenses		(123,468)	(281,150)
Publication expenses		(71,553)	(115,134)
Finance costs		(5,767)	(7,382)
Website, membership and booking		(19,999)	(59,484)
Education	2	(12,247)	(23,210)
Other administration costs	2	(109,490)	(120,419)
Central Australian Basins Symposium Fund expenses		-	-
Total expenses from operating activities		<u>(350,325)</u>	<u>(606,779)</u>
Surplus from operating activities		<u>23,669</u>	<u>149,119</u>
Donation to Australian Science Teachers Association for TESEP Sponsorship		-	(8,500)
Other comprehensive income		-	-
Total comprehensive income for the year		<u>23,669</u>	<u>140,619</u>

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached audit report.

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Statement of Financial Position

As At 31 December 2020

	Notes	2020 \$	2019 \$
Current assets			
Cash and cash equivalents	3	1,345,442	1,135,329
Trade and Other receivables	4	49,127	234,600
Total current assets		<u>1,394,569</u>	<u>1,369,929</u>
Non-current assets			
Property, plant and equipment	5	17,729	-
Total non-current assets		<u>17,729</u>	<u>-</u>
Total assets		<u>1,412,298</u>	<u>1,369,929</u>
Current liabilities			
Trade and Other payables	6	53,051	34,351
Total current liabilities		<u>53,051</u>	<u>34,351</u>
Total liabilities		<u>53,051</u>	<u>34,351</u>
Net assets		<u>1,359,248</u>	<u>1,335,579</u>
Equity			
Retained earnings		805,973	782,304
Reserves	8	553,275	553,275
Total equity		<u>1,359,248</u>	<u>1,335,579</u>

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached audit report.

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Statement of Cash Flows

For the Year Ended 31 December 2020

	Notes	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from operations		352,967	731,900
Payments to suppliers and employees		(150,271)	(816,052)
Net cash generated by (used in) operating activities	9	<u>202,696</u>	<u>(84,152)</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		(13,005)	-
Interest received		20,421	22,172
Net cash generated by investing activities		<u>7,416</u>	<u>22,172</u>
Cash flows from financing activities			
Net cash generated by financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		<u>210,112</u>	<u>(61,980)</u>
Cash and cash equivalents at the beginning of the financial year		1,135,330	1,197,310
Cash and cash equivalents at the end of the financial year		<u>1,345,442</u>	<u>1,135,330</u>

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached audit report.

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Statement of Changes in Equity

For the Year Ended 31 December 2020

	Retained earnings	Reserves	Total
	\$	\$	\$
Balance at 1 January 2019	641,685	553,275	1,194,960
Total comprehensive income for the year	140,619	-	140,619
Balance at 31 December 2019	782,304	553,275	1,335,579
Total comprehensive income for the year	23,669	-	23,669
Balance at 31 December 2020	805,973	553,275	1,359,248

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached audit report.

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Notes to the Financial Statements

For the Year Ended 31 December 2020

Note 1: Summary of Significant Accounting Policies

The financial statements are for Petroleum Exploration Society of Australia Limited as an individual entity, incorporated and domiciled in Australia. Petroleum Exploration Society of Australia Ltd is an Australian Public Company limited by guarantee. The Company is registered with the Australian Charities and Not-for-profits Commission as charities.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The three new accounting standards are AASB 15 Revenue from Contracts with Customers (replacing AASB 118 Revenue) , AASB 16 Leases ASB (replacing AASB 117 Leases) and 1058 Income of Not-for-Profit Entities (replacing 1004 Contributions).

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied. As such, the adoption of new accounting standards did not affect the comparative information.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 31 December 2020. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

Petroleum Exploration Society of Australia Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2020

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on **April 2021** by the Directors of the Company.

Accounting Policies

(a) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(b) Basis of Measurement and Presentation

The financial report is presented in Australian dollars. The financial report has been prepared on the historical cost basis.

(c) Critical Accounting Estimates and Judgments

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

The accounting policies set out below have been applied consistently for all periods presented in the financial report.

Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions. The Company reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Petroleum Exploration Society of Australia Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2020

Key estimates - fair value of financial instruments

The Company has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

(d) Revenue Recognition

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Interest Income

Interest income is recognised as it accrues.

All revenue is stated net of the amount of goods and services tax (GST).

(e) Contract assets

Contract assets are recognised when the Company has transferred goods or services to the customer but where the Company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Notes to the Financial Statements

For the Year Ended 31 December 2020

(f) Contract liabilities

Contract liabilities represent the Company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

(g) Trade and Other Receivables

Trade and other receivables are stated at their amortised cost less credit losses.

(h) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

(j) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and impairment losses.

Plant and equipment

Intangible asset

Cost of Development of PESA Website

The purchase cost of externally developed PESA website has been capitalised as intangible asset.

Intangible asset is measured at cost basis less accumulated amortisation.

Amortisation of Intangible Assets

The capitalised development cost of the PESA website is amortised over three years.

Petroleum Exploration Society of Australia Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2020

(k) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(l) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

Financial liabilities

Trade and other payables represent the liabilities for goods and services received by the Company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(m) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Petroleum Exploration Society of Australia Limited

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Notes to the Financial Statements

For the Year Ended 31 December 2020

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis, except for the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO. The GST component of financing and investing activities which is recoverable from, or payable to, the ATO is classified as a part of operating cash flows. Accordingly, investing and financing cash flows are presented in the statement of cash flows net of the GST that is recoverable from, or payable to, the ATO.

(o) Events after Reporting Date

The Directors are not aware of any significant events since the end of the reporting period.

(p) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Notes to the Financial Statements

For the Year Ended 31 December 2020

	2020	2019
	\$	\$
2 Surplus/(deficit) for the year		
Function income		
Share of surplus - ASEG-PESA Conference	4,188	193,753
Meeting Fees	54,211	113,995
Meeting Sponsorship	18,727	19,541
Conferences and Symposiums Fees	10,191	90,414
Course Fees and sponsorship	14,845	55,843
Social Functions Sponsorship	15,205	33,721
Social Functions Fees	26,823	34,735
Education and Student Support	5,455	2,045
Others	1,564	-
Sponsorship	-	10,227
	<u>151,208</u>	<u>554,273</u>
2 Significant expenses		
Education:		
Scholarships	12,182	23,210
Administration:		
Advertising and promotion	-	236
Audit fees	9,235	9,000
Board and committee meetings	1,970	15,913
Contract expense	19,553	-
Donations	11,950	21,500
Insurance	11,878	14,390
Travel and Accommodation	-	11,392
Telephone	1,878	1,801
Secretarial fees	49,140	44,070
3 Cash and cash equivalents		
Cash at bank	487,711	32,877
Term deposits	857,190	1,101,911
Cash on hand	541	541
	<u>1,345,442</u>	<u>1,135,329</u>
4 Trade and Other receivables		
Trade receivables	6,092	2,000
Prepayments	2,955	20,244
AEGC 2021 Seed Funding	25,800	-
Interest receivable	6,090	9,576
Share of surplus - ASEG-PESA Conference	-	190,000
Other receivables	8,190	12,780
	<u>49,127</u>	<u>234,600</u>

These notes should be read in conjunction with the attached audit report.

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Notes to the Financial Statements

For the Year Ended 31 December 2020

	2020	2019
	\$	\$
4a Provision for credit losses		
No provision for credit loss was necessary because all receivables remain within the initial credit terms and are considered to be of high credit quality.		
5 Property, plant and equipment		
Intangible		
Cost of Development of PESA Website	25,530	162,184
Less Amortisation	(7,801)	(162,184)
	<u>17,729</u>	<u>-</u>
6 Trade and Other payables		
Revenue received in advance	25,275	1,467
Trade and Other Creditors	18,802	10,386
Accrued Expenses	8,000	17,275
Credit Cards	974	5,223
	<u>53,051</u>	<u>34,351</u>
7 Contributed Equity		
The Society is a company limited by guarantee and as such each member undertakes to contribute to the property of the Society, in the event of it being wound up, such amounts as may be required, but not exceeding an amount of fifty dollars (\$50.00) in total.		
8 Reserves		
Reserves	<u>553,275</u>	<u>553,275</u>
	<u>553,275</u>	<u>553,275</u>
Total Reserves made up of:		
General Fund	500,000	500,000
Central Australian Basins Symposium Fund	53,275	53,275
Reserves at the end of the year	<u>553,275</u>	<u>553,275</u>

Nature and Purpose of Reserves

General Reserve

General reserve was created to set aside funds for the purposes of management and provision of working capital.

Central Australian Basins Symposium Fund

Central Australian Basins Symposium Fund represents funds received during 2017 and reserved to be used for the promotion and education expenditure with regard to Central Australian Basins Symposium.

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Notes to the Financial Statements

For the Year Ended 31 December 2020

	2020	2019
	\$	\$
9 Reconciliation to Cash Flows from Operations		
Net surplus for the period	23,669	140,619
Non-operating cash flows in net profit		
Depreciation and amortisation	7,801	-
Interest received	(16,934)	(22,444)
Change in Assets and Liabilities		
(Increase)/decrease in Trade and Other Receivables	167,449	(192,941)
Increase/(decrease) in Trade and Other Payables	20,712	(9,387)
Net cash provided by operating activities	<u>202,696</u>	<u>(84,152)</u>

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Notes to the Financial Statements

For the Year Ended 31 December 2020

10 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

		2020	2019
Financial assets	Note	\$	\$
Cash and cash equivalents	3	1,345,442	1,135,329
Trade and other receivables	4	46,172	214,356
Total financial assets		<u>1,391,614</u>	<u>1,349,685</u>
Financial liabilities			
Financial liabilities:			
- Trade and other Payables	6	53,051	34,351
Total financial liabilities		<u>53,051</u>	<u>34,351</u>

11 Fair Value Measurements

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

	2020	2019
	\$	\$
	Fair value	Fair value
Financial assets		
Cash and cash equivalents	1,345,442	1,135,329
Trade and other receivables	46,172	214,356
	<u>1,391,614</u>	<u>1,349,685</u>
Financial liabilities		
Financial liabilities:		
- Trade and other Payables	53,051	34,351
	<u>53,051</u>	<u>34,351</u>

12 Related party information

a) Members of the Board of Directors

The members of the Board of Directors who served for the whole of the financial year, unless otherwise indicated, are given on page 7.

Petroleum Exploration Society of Australia Limited

ACN 009 061 278

Notes to the Financial Statements

For the Year Ended 31 December 2020

b) Remuneration of the Board of Directors

The directors do not receive any remuneration from Petroleum Exploration Society of Australia Limited in relation to the management of the affairs of the Company.

c) Related party transactions

There were no related party transactions during the year other than the ones mentioned above.

13 Auditor's Remuneration

For the year ending 31 December 2020, the Auditor is entitled to received the following remuneration (excluding GST):

	2020	2019
	\$	\$
Audit fees	8,000	7,500
Other fees	1,500	1,500
	<u>9,500</u>	<u>9,000</u>

14 Segment information

Petroleum Exploration Society of Australia Limited operates predominantly in one business and geographic segment .

15 Petroleum Exploration Society of Australia Limited details

The principal place of business of Petroleum Exploration Society of Australia Limited is:

Unit 2, 25-41 Redwood Drive, Dingley Village VIC 3172



Motion to change Auditor appointment For voting at 2021 AGM

The Federal Board has endorsed the following motion to be put to a vote at the 2021 AGM seeking member approval.

Motion: That StewartBrown be appointed Auditor commencing from the 2021 financial report.

Rationale: PESA's requirement for Audit or simply a Financial Report:

Rule 107 - *Auditors shall be appointed and their duties regulated in accordance with the Act.*

Rule 53 - This is proposed to be amended at the AGM but in essence outlines a requirement to keep records *"...to enable the auditors of the Society to properly audit the Society's accounts."*

Rule 85, 87 and 105 - specify an *"...auditor's report..."* is to be presented at AGM.

Our society managers (Association Professionals) organised three quotes for the Audit of the General-Purpose Financial Report at 31 December 2021, in early 2022. Our existing supplier (Australian Audit), and two others (Ashfords Audit and Assurance, and StewartBrown) identified from the Association Forum supplier list (www.associations.net.au) were invited to quote.

Following a review of the PESA Rules and the three proposals, StewartBrown based in NSW is recommended.

Chris Harwood
Treasurer, Finance and Governance Committee Chair



Constitution Amendments

For voting at 2021 AGM

The Federal Board have endorsed the following amendments to the Constitution which are being put to a vote at the 2021 AGM seeking member approval.

The purpose of the amendments are to broaden the objectives of the Society to include energy geosciences as an extension of the Petroleum Industry. This is consistent with the Towards 2024 Strategic Plan to cater for adjacencies to the Petroleum Industry where skills and expertise are transferrable.

PROPOSED AMENDMENT TO CONSTITUTION

Delete existing Clause 2:

- 2) The objects for which the Society is established are all or any of the following:
 - (1) to take over all or any part which may lawfully be taken over by the Society of the assets and liabilities of the Association known as Petroleum Exploration Society of Australia;
 - (2) to promote professional and technical aspects of the petroleum industry throughout Australia by providing a medium for the gathering of individuals interested in oil and gas exploration and the petroleum industry;
 - (3) to provide a public educational forum for the discussion and consideration of technical aspects of the petroleum industry;
 - (4) to foster and provide continuing education for the benefit of the members of the Society;
 - (5) to nurture the spirit of research among the members of the Society;
 - (6) to maintain a high standard of business and professional conduct on the part of the members of the Society;
 - (7) to advance the knowledge and understanding of the following phases or endeavours related to the search for and handling of hydrocarbons namely: exploration; development; production and transmission;
 - (8) to present views and discuss technical and professional matters relating to the petroleum industry on a national basis;
 - (9) to undertake and provide facilities for research into the technical aspects of the petroleum industry and to make recommendations and submissions for improvements in the administration of the petroleum industry;
 - (10) to enable and encourage members and persons interested in the objects of the Society to examine and consider all or any aspects of the petroleum industry;
 - (11) to gather examine consider and make recommendations and submissions with respect to practices and laws relating to the petroleum industry proposed or enacted by the Parliaments of the Commonwealth of Australia and of the several States and Territories thereof or the Parliament of another country;
 - (12) to liaise and work in conjunction with government departments and other bodies and organisations in relation to the administration of technical aspects of the petroleum industry;

- (13) to acquire and disseminate knowledge of domestic and international trends in the development of and improvement in the technical aspects of the petroleum industry;
- (14) to convene and hold seminars discussions lectures and conferences at such times and places as the Society may determine;
- (15) to establish libraries of books, documents, materials, reports and data relating to the professional and technical aspects of the petroleum industry;
- (16) to publish and distribute journals books papers bulletins and newsletters;
- (17) to acquire and make available for the use of members publications and information concerning the professional and technical aspects of the petroleum industry;
- (18) to promote social activities amongst members and persons interested in the objects of the Society;
- (19) to raise money by any lawful means and to receive and enlist financial and other aid from individuals trusts companies corporations firms associations societies institutions governments and governmental and other organisations or authorities and to conduct fund raising activities for the purpose of furthering the objects of the Society.

And replace with new Clause 2:

- 2) The objects for which the Society is established are all or any of the following:
 - (1) to take over all or any part which may lawfully be taken over by the Society of the assets and liabilities of the Association known as Petroleum Exploration Society of Australia;
 - (2) to promote professional and technical aspects of the petroleum industry and energy geoscience throughout Australia by providing a medium for the gathering of individuals interested in oil and gas exploration, the petroleum industry and energy geoscience endeavours;
 - (3) to provide a public educational forum for the discussion and consideration of technical aspects of the petroleum industry and energy geoscience endeavours;
 - (4) to foster and provide continuing education for the benefit of the members of the Society;
 - (5) to nurture the spirit of research among the members of the Society;
 - (6) to maintain a high standard of business and professional conduct on the part of the members of the Society;
 - (7) to advance the knowledge and understanding of the following phases or endeavours related to the search for and handling of hydrocarbons namely: exploration; development; production and transmission;
 - (8) to present views and discuss technical and professional matters relating to the petroleum industry and energy geoscience endeavours on a national basis;
 - (9) to undertake and provide facilities for research into the technical aspects of the petroleum industry and and energy geoscience endeavours to make recommendations and submissions for improvements in the administration of the petroleum industry and energy geoscience endeavours;
 - (10) to enable and encourage members and persons interested in the objects of the Society to examine and consider all or any aspects of the petroleum industry and energy geoscience endeavours;
 - (11) to gather examine consider and make recommendations and submissions with respect to practices and laws relating to the petroleum industry and energy geoscience endeavours proposed or enacted by the Parliaments of the Commonwealth of Australia and of the several States and Territories thereof or the Parliament of another country;
 - (12) to liaise and work in conjunction with government departments and other bodies and organisations in relation to the administration of technical aspects of the petroleum industry and energy geoscience endeavours;

- (13) to acquire and disseminate knowledge of domestic and international trends in the development of and improvement in the technical aspects of the petroleum industry and energy geoscience endeavours;
- (14) to convene and hold seminars discussions lectures and conferences at such times and places as the Society may determine;
- (15) to establish libraries of books, documents, materials, reports and data relating to the professional and technical aspects of the petroleum industry and energy geoscience endeavours;
- (16) to publish and distribute journals books papers bulletins and newsletters;
- (17) to acquire and make available for the use of members publications and information concerning the professional and technical aspects of the petroleum industry and energy geoscience endeavours;
- (18) to promote social activities amongst members and persons interested in the objects of the Society;
- (19) to raise money by any lawful means and to receive and enlist financial and other aid from individuals trusts companies corporations firms associations societies institutions governments and governmental and other organisations or authorities and to conduct fund raising activities for the purpose of furthering the objects of the Society.



Rules Amendments

For voting at 2021 AGM

The Federal Board have endorsed the following amendments to the Rules which are being put to a vote at the 2021 AGM seeking member approval.

There are 33 proposed rule changes. The proposed changes are largely administrative or to update the Rules to reflect the current operating model of the Society with centralised membership and financial administration. There are also some proposed changes relating to joint branches.

Table 1 gives a summary of each proposed change and the full-text comparison of each rule change is also provided in this notice. A summary of each change category is also provided below due to the large number of changes being proposed.

Administrative : *Rule 1(1), 45(1), 46(5f), 46(9), 57(6), 69, 82, 91, 92*

- Definition of Petroleum Industry to include energy geosciences, consistent with the proposed Constitution amendment;
- Various updates related to Chairman role - meeting protocols, terminology;
- Explicitly state ability to hold General Meetings virtually; and
- Remove 12-month investment time constraint (this is for term deposits).

Membership Process : *Rule 4, 6, 8, 9, 10, 14, 15, 16, 17, 18, 19, 31, 32, 36, 41, 42, 43, 48(7), 54*

- Centralisation of membership administration removes some responsibilities from Branch Committees (e.g. member register, member approval); and
- Change from 1 Jan-31 Dec membership period to 12 months from payment;

Financial Process : *Rule 53*

- Centralisation of financial administration removes some responsibilities from Branch (e.g. need to keep State accounts).

Joint Branches : *Rule 48(4), 48(8), 49(2), 51(1)*

- Mechanism for winding up or merging State Branches;
- Mechanism for creating standalone State Branches from merged branches;
- Representation rights for merged Branch Committees and obligations of merged Branches.

Rule	Para	Category	Change Summary
1	1	Administrative	Update multiple definitions to reflect Rule amendments and broaden definition of Petroleum Industry to include "energy geoscience" for consistency with proposed Constitution amendments
4		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
6		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
8		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
9		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
10		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
14		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
15		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
16		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
17		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
18		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
19		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
31		Membership Process	Update for change of subscription payment model to rolling 12 months. Reflect change to centralised membership administration removing responsibility from Branch Committees
32		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
36		Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
41		Membership Process	Update for change of subscription payment model to rolling 12 months.
42		Membership Process	DELETE - no longer required (Reflect change of subscription payment model to rolling 12 months)
43		Membership Process	DELETE - no longer required (Reflect change to centralised membership administration and website for membership transactions)
45	1	Administrative	Change Chairperson to Chairman for consistency
46	5f	Administrative	Update meeting protocol to reflect Chairman role
46	9	Administrative	Change chairperson to Chairman for consistency
48	4	Joint Branches	Modify wording to allow members in joint branch to apply for reformation of standalone branch
48	7	Membership Process	Reflect change to centralised membership administration removing responsibility from Branch Committees
48	8	Joint Branches	ADD - Provision for Branch Committees to apply to wind up or merge
49	2	Joint Branches	Provision for at least one member of each State in multiple state branch to have representation right on Branch Committee to the extent possible
51	1	Joint Branches	Obligation for multiple state branch to organise events in each state to the extent possible
53		Financial Process	Reflect change to centralised financial administration removing responsibility for book-keeping from Branch Committees
54		Membership Process	DELETE - no longer required (Reflect change to centralised membership administration removing responsibility from Branch Committees)
57	6	Administrative	Remove time restrictions on investment to allow multi-year investments (e.g. term deposits with greater than 12 month term)
69		Administrative	Update meeting protocol to reflect Chairman role
82		Administrative	Making explicit the ability to conduct General Meetings virtually
91		Administrative	Update meeting protocol to reflect Chairman role
92		Administrative	Update meeting protocol to reflect Chairman role

Table 1: Summary of proposed Rules amendments

PROPOSED AMENDMENT TO RULES

Delete Rule 1 (1):

1

- (1) In these Rules the following words and phrases shall have the meanings respectively assigned to them unless there is something in the subject or context inconsistent therewith:-
- (a) "Rules" means the Rules for the time being of the Society;
 - (b) "Active Member" means a person admitted to membership pursuant to Rule 6;
 - (c) "Branch Committee" means a committee of a State Branch constituted in accordance with Rule 49;
 - (d) "Branch Register" means a Branch Register established by and maintained by a Branch Committee in accordance with Rule 54;
 - (e) "the Act" means the Corporations Act 2001 (Cth.) as amended from time to time;
 - (f) "Committee" means any committee formed from time to time pursuant to Rule 74 hereof;
 - (g) "Distinguished (or Life) Member" means a person declared as such pursuant to Rule 12;

- (h) "Federal Executive" means the board of directors of the Society constituted in accordance with Rules 45 to 46;
- (i) "Fellow" means a person declared as such pursuant to Rule 7
- (j) "Fiscal Year" means, until the Federal Executive resolves otherwise, a calendar year commencing on 1st day of January;
- (k) "Graduate Member" means a person declared as such pursuant to Rule 10
- (l) "member" means a person admitted to membership of the Society under any of these Rules;
- (m) "Model By-Laws" means the by-laws (if any) prescribed by the Federal Executive pursuant to Rule 48(3)
- (n) "Month" means calendar month and "year" means calendar year;
- (o) "Office-bearer" means a member of the Federal Executive elected pursuant to Rule 46(1)
- (p) "Person" means a natural person;
- (q) "the Petroleum industry" includes the following phases or endeavours related to the search for and handling of hydrocarbons, namely: - exploration, development, production and transmission;"the Principal Register" means the register of members to be kept pursuant to the Act and Rule 2;
- (r) "Retired Member" means a person declared as such pursuant to Rule 11;
- (s) "Secretary" or "Secretary/Treasurer" (as the case may be) means the person elected as such pursuant to Rule 46(1) and includes any person for the time being acting in that office;
- (t) "the Society" means the company limited by guarantee incorporated as Petroleum Exploration Society of Australia Limited;
- (u) "Special Resolution" has the meaning assigned by the Act;
- (v) "State" means as the context in which the word is used requires one of each of the States or Territories of the Commonwealth of Australia;
- (w) "State Branch" means a branch of the Society constituted in accordance with Rule 48;
- (x) "State Secretary" means as the context in which the expression is used requires the State Secretary of a State Branch elected in accordance with Rule 41(2)
- (y) "Student Member" means a person declared as such pursuant to Rule 9;
- (aa) "Association" means the Association known as Petroleum Exploration Society of Australia;

And replace with new Rule 1 (1):

1

- (1) In these Rules the following words and phrases shall have the meanings respectively assigned to them unless there is something in the subject or context inconsistent therewith:-
- (a) "Rules" means the Rules for the time being of the Society;
- (b) "Active Member" means a person admitted to membership pursuant to Rule 6;
- (c) "Branch Committee" means a committee of a State Branch constituted in accordance with Rule 49;
- (d) "the Act" means the Corporations Act 2001 (Cth.) as amended from time to time;

- (e) "Committee" means any committee formed from time to time pursuant to Rule 81;
- (f) "Distinguished (or Life) Member" means a person declared as such pursuant to Rule 12;
- (g) "Federal Executive" means the board of directors of the Society constituted in accordance with Rules 45 to 46;
- (h) "Fellow" means a person declared as such pursuant to Rule 7
- (i) "Fiscal Year" means, until the Federal Executive resolves otherwise, a calendar year commencing on 1st day of January;
- (j) "Graduate Member" means a person declared as such pursuant to Rule 10
- (k) "member" means a person admitted to membership of the Society under any of these Rules;
- (l) "Membership Committee" means any committee formed pursuant to Rule 81 with remit granted by the Federal Executive for membership administration;
- (m) "Model By-Laws" means the by-laws (if any) prescribed by the Federal Executive pursuant to Rule 48(3)
- (n) "Month" means calendar month and "year" means calendar year;
- (o) "Office-bearer" means a member of the Federal Executive elected pursuant to Rule 46(1)
- (p) "Person" means a natural person;
- (q) "the Petroleum industry" includes the following phases or endeavours related to the search for and handling of hydrocarbons, namely: - exploration, development, production and transmission, as well as other energy geoscience related endeavours;
- (r) "the Principal Register" means the register of members to be kept pursuant to the Act and Rule 2;
- (s) "Retired Member" means a person declared as such pursuant to Rule 11;
- (t) "Secretary" or "Secretary/Treasurer" (as the case may be) means the person elected as such pursuant to Rule 46(1) and includes any person for the time being acting in that office;
- (u) "the Society" means the company limited by guarantee incorporated as Petroleum Exploration Society of Australia Limited;
- (v) "Special Resolution" has the meaning assigned by the Act;
- (w) "State" means as the context in which the word is used requires one of each of the States or Territories of the Commonwealth of Australia;
- (x) "State Branch" means a branch of the Society constituted in accordance with Rule 48;
- (y) "State Secretary" means as the context in which the expression is used requires the State Secretary of a State Branch elected in accordance with Rule 41(2)
- (z) "Student Member" means a person declared as such pursuant to Rule 9;
- (aa) "Association" means the Association known as Petroleum Exploration Society of Australia;

Delete Rule 4:

- 4** A person whose application for membership is accepted by a Branch Committee in accordance with these Rules shall be a member of the Society and subject

to these Rules shall be affiliated with the State Branch whose Branch Committee accepted him into the membership of Society.

And replace with new Rule 4:

- 4 A person whose application for membership is accepted by the Membership Committee in accordance with these Rules shall be a member of the Society and subject to these Rules shall be affiliated with the State Branch so nominated on his application for membership of the Society.

Delete Rule 6:

- 6 Any person: -
 - (1) who holds a degree, diploma or associateship from a tertiary education institution with not less than five years' experience duly recognised by a Branch Committee; or
 - (2) who in the opinion of a Branch Committee by virtue of his service or experience within the petroleum industry, may be deemed to be professional (hereinafter called a "professional person") and who has or has had a business or working association with the petroleum industry; or
 - (3) being a non-professional person who is employed by a company actively engaged in the petroleum industryis eligible for membership of the Society as an Active Member (M.P.E.S.A.).

And Replace with new Rule 6:

- 6 Any person: -
 - (4) who holds a degree, diploma or associateship from a tertiary education institution with not less than five years' experience duly recognised by the Membership Committee; or
 - (5) who in the opinion of the Membership Committee by virtue of his service or experience within the petroleum industry, may be deemed to be professional (hereinafter called a "professional person") and who has or has had a business or working association with the petroleum industry; or
 - (6) being a non-professional person who is employed by a company actively engaged in the petroleum industryis eligible for membership of the Society as an Active Member (M.P.E.S.A.).

Delete Rule 8:

- 8 Any person who in the opinion of a Branch Committee is interested in the objects of the Society and the petroleum industry is eligible for membership of the Society as an Associate Member.

And Replace with new Rule 8:

- 8 Any person who in the opinion of the Membership Committee is interested in the objects of the Society and the petroleum industry is eligible for membership of the Society as an Associate Member.

Delete Rule 9:

- 9 Any person attending a tertiary education institution within Australia who does not have and is studying for a diploma degree or associateship and who in the

opinion of a Branch Committee is interested in the petroleum industry is eligible for membership of the Society as a Student Member.

And Replace with new Rule 9:

- 9 Any person attending a tertiary education institution within Australia who does not have and is studying for a diploma degree or associateship and who in the opinion of the Membership Committee is interested in the petroleum industry is eligible for membership of the Society as a Student Member.

Delete Rule 10:

- 10 Any person who holds a degree, diploma or associateship from a tertiary education institution with less than five years' experience duly recognised by a Branch Committee is eligible for membership of the Society as a Graduate Member. A member in any category who has retired from paid work may by application to the membership secretary be declared a Retired Member.

And Replace with new Rule 10:

- 10 Any person who holds a degree, diploma or associateship from a tertiary education institution with less than five years' experience duly recognised by the Membership Committee is eligible for membership of the Society as a Graduate Member. A member in any category who has retired from paid work may by application to the membership secretary be declared a Retired Member.

Delete Rule 14:

- 14 An application for membership of the Society accompanied by the applicable subscription shall be lodged with the State Secretary of the State Branch with which the applicant wishes to be affiliated. The State Secretary shall bring the application before the Branch Committee of that State Branch.

And Replace with new Rule 14:

- 14 An application for membership shall be made in such form and in such manner as the Federal Executive may from time to time decide. However, such form must contain an undertaking to be bound by the provisions of the Constitution and Rules of the Society and must specify the State or Territory of Australia in which the member resides and must also contain an undertaking to be bound by the Model By-Laws (if any) applicable to that State or Territory.

Delete Rule 15:

- 15 The Branch Committee shall review each applicant's eligibility for membership and resolve whether or not to admit each applicant to membership.

And Replace with new Rule 15:

- 15 The Membership Committee shall review each applicant's eligibility for membership and resolve whether or not to admit each applicant to membership. In doing so, the Membership Committee may defer to the relevant Branch Committee.

Delete Rule 16:

- 16 The Branch Committee may require any applicant for membership to give such information as it desires before admitting the applicant to membership of the Society.

And Replace with new Rule 16:

- 16 The Membership Committee may require any applicant for membership to give such information as it desires before admitting the applicant to membership of the Society.

Delete Rule 17:

- 17 The decision of the Branch Committee as to the appropriate class of membership for an applicant shall be final and no reasons need be given.

And Replace with new Rule 17:

- 17 The decision of the Membership Committee as to the appropriate class of membership for an applicant shall be final and no reasons need be given.

Delete Rule 18:

- 18 The Branch Committee may refuse any application for membership without assigning any reason therefor.

And Replace with new Rule 18:

- 18 The Membership Committee may refuse any application for membership without assigning any reason therefor.

Delete Rule 19:

- 19 An applicant for membership shall be deemed admitted to membership of the Society upon the Branch Committee so resolving. After an applicant has become a member his name occupation and address and class of membership to which he belongs and such other details as the Federal Executive may have resolved pursuant to Rule 2 shall be recorded in the Branch Register of the State Branch with which he is affiliated.

And Replace with new Rule 19:

- 19 An applicant for membership shall be deemed admitted to membership of the Society upon the Membership Committee so resolving. After an applicant has become a member his name occupation and address and class of membership to which he belongs and such other details as the Federal Executive may have resolved pursuant to Rule 2 shall be recorded in the Principal Register.

Delete Rule 31:

- 31 If the subscription of a member remains unpaid by the 30th June of the fiscal year for which the subscription was due, the membership of such member shall thereupon terminate and his name shall be removed from the Branch Register of the State Branch with whom he is then affiliated but without prejudice to his obligation to pay the subscription.

And Replace with new Rule 31:

- 31 If the subscription of a member remains unpaid for a period exceeding 180 days

from the day that the subscription is due, the membership of such member shall thereupon terminate and his name shall be removed from the Principal Register but without prejudice to his obligation to pay the subscription.

Delete Rule 32:

32 Subject to these Rules a Branch Committee or the Federal Executive may at any time and from time to time terminate the membership of any member (in the case of a Branch Committee, only a member whose name is recorded in its Branch Register) in any of the following cases: -

- (1) if the member ceases to be eligible for membership of the Society;
- (2) if the member dies, resigns, becomes bankrupt, makes a composition with or assigns his estate for the benefit of his creditors or becomes a person whose estate or person is liable to be dealt with in any way under the law relating to mental health; or
- (3) if the member is expelled from the Society under Rule 34.

Upon the termination of membership of any member the name of such member shall be removed from the Branch Register in which it is recorded and he shall cease to have the rights and privileges of membership. Any office held by that member shall thereupon be deemed vacated.

And Replace with new Rule 32:

32 Subject to these Rules a Branch Committee or the Federal Executive may at any time and from time to time terminate the membership of any member (in the case of a Branch Committee, only for a member whose affiliation is recorded in the Principal Register as being that State) in any of the following cases: -

- (1) if the member ceases to be eligible for membership of the Society;
- (2) if the member dies, resigns, becomes bankrupt, makes a composition with or assigns his estate for the benefit of his creditors or becomes a person whose estate or person is liable to be dealt with in any way under the law relating to mental health; or
- (3) if the member is expelled from the Society under Rule 34.

Upon the termination of membership of any member the name of such member shall be removed from the Principal Register and he shall cease to have the rights and privileges of membership. Any office held by that member shall thereupon be deemed vacated.

Delete Rule 36:

36

- (1) If a member's membership is suspended under Rule 34(6), the State Secretary of the State Branch that the member is affiliated with must record in the Branch Register of that State Branch:
 - (a) the name of the member that has been suspended from membership;
 - (b) the date on which the suspension takes effect; and
 - (c) the length of the suspension as determined under Rule 34.
- (2) A Member that has been suspended under Rule 34(6) cannot exercise any rights or privileges of membership, including voting rights, during the period the member is suspended from membership.
- (3) Upon the expiry of the period of a member's suspension, the relevant State Secretary must record in the Branch Register that the member is no longer suspended.

And Replace with new Rule 36:

36

- (1) If a member's membership is suspended under Rule 34(6), the Secretary shall record in the Principal Register:
 - (a) the name of the member that has been suspended from membership;
 - (b) the date on which the suspension takes effect; and
 - (c) the length of the suspension as determined under Rule 34.
- (2) A Member that has been suspended under Rule 34(6) cannot exercise any rights or privileges of membership, including voting rights, during the period the member is suspended from membership.
- (3) Upon the expiry of the period of a member's suspension, the Secretary must record in the Principal Register that the member is no longer suspended.

Delete Rule 41:

41 Annual subscriptions shall be payable annually in advance and shall be due on the first day of January in each year or on such other date as may be determined from time to time by the Federal Executive.

And Replace with new Rule 41:

41 Annual subscriptions shall be payable in advance and shall provide rights of membership as per Rules 21 to 29 for a period of twelve (12) months from the date that the subscription is paid, or any other periods as may be determined from time to time by the Federal Executive, subject to the provisions of Rules 30 and 32

Delete Rule 42:

42 Subject to Rule 112 a person applying for membership shall be required to pay the full annual subscription for the then current fiscal year regardless of the date on which such application is made during that current fiscal year.

And Replace with new Rule 42:

42 Not used

Delete Rule 43:

43 The Federal Executive may delegate in writing to a Branch Committee of a State Branch the power to collect nomination fees and subscriptions from members affiliated with that State Branch upon such terms and conditions as it thinks fit and may upon one year's notice in writing revoke such delegation at any time.

And Replace with new Rule 43:

43 Not used

Delete Rule 45 (1):

45 The Federal Executive shall comprise up to 13 members, namely:-

(1) the office-bearers for the time being of the Society which shall be:

- (a) a Chairperson;
- (b) a President;
- (c) a Vice-President;
- (d) either

- (i) a Secretary/Treasurer; or
- (ii) a Secretary and a Treasurer.

who shall be elected pursuant to Rule 46 (hereinafter referred to as "Office- Bearers");

And Replace with new Rule 45 (1):

45 The Federal Executive shall comprise up to 13 members, namely:-

(1) the office-bearers for the time being of the Society which shall be:

- (a) a Chairman;
- (b) a President;
- (c) a Vice-President;
- (d) either
 - (i) a Secretary/Treasurer; or
 - (ii) a Secretary and a Treasurer.

who shall be elected pursuant to Rule 46 (hereinafter referred to as "Office- Bearers");

Delete Rule 46 (5)(f):

46

(5)

- f. any one of the President, the Vice-President, the Secretary or the Treasurer (or Secretary/Treasurer) shall act as Returning Officer and two scrutineers, not necessarily members of the Society shall be appointed by the President at least 24 hours prior to the posting of the voting papers;

And Replace with new Rule 46 (5)(f):

46

(5)

- f. any one of the Chairman, President, the Vice-President, the Secretary or the Treasurer (or Secretary/Treasurer) shall act as Returning Officer and two scrutineers, not necessarily members of the Society shall be appointed by the Chairman at least 24 hours prior to the posting of the voting papers;

Delete Rule 46 (9):

46

- (9) At its first meeting after the annual general meeting the board shall appoint a member (Active, Distinguished or Fellow) as its chairperson for a term of one year. The Society may by ordinary resolution remove any Federal Executive member before the expiration of his period of office and may by an ordinary resolution appoint another person in his stead provided that in the case of Appointed Members appointed pursuant to Rule 55 hereof such other person is affiliated with the same State Branch as the member replaced. The person so appointed shall hold office for the remainder of the term of the person he replaces.

And Replace with new Rule 46 (9):

46

- (9) At its first meeting after the annual general meeting the board shall appoint a member (Active, Distinguished or Fellow) as its Chairman for a term of one year. The Society may by ordinary resolution remove any Federal Executive member before the expiration of his period of office and may by an ordinary resolution appoint another person in his stead provided that in the case of Appointed Members appointed pursuant to Rule 55 hereof such other person is affiliated with the same State Branch as the member replaced. The person so appointed shall hold office for the

remainder of the term of the person he replaces.

Delete Rule 48 (4):

48

- (4) Any ten or more members of the Society who reside in a State or Territory of Australia where no State Branch already exists may make a written request to the Federal Executive to form a State Branch. Upon approval of the request by the Federal Executive and subject to any procedures as the Federal Executive may see fit as contained in its approval such State Branch shall be deemed to be formed and shall be governed by the Model By-laws, subject to Rule 49(1).

And Replace with new Rule 48 (4):

48

- (4) Any ten or more members of the Society who reside in a State or Territory of Australia where no State Branch already exists, purely for the benefit of members domiciled in that State or Territory, may make a written request to the Federal Executive to form a State Branch. Upon approval of the request by the Federal Executive and subject to any procedures as the Federal Executive may see fit as contained in its approval such State Branch shall be deemed to be formed and shall be governed by the Model By-laws, subject to Rule 49(1).

Delete Rule 48 (7):

48

- (7) A member may transfer his affiliation with a State Branch to another State Branch by giving notice in writing to that effect to the respective State Secretaries of the State Branches from and to whom affiliation is to be transferred and the transfer of affiliation shall be effective upon the name occupation and address of the member and other details as referred to in Rule 18 being recorded in the Branch Register of the State Branch to whom the transfer of affiliation is made.

And Replace with new Rule 48 (7):

48

- (7) A member may transfer his affiliation with a State Branch to another State Branch by giving notice in writing to that effect to the Secretary and respective State Secretaries of the State Branches from and to whom affiliation is to be transferred. Transfer of affiliation shall be effective upon the member's Branch affiliation being updated in the Principal Register.

Add new Rule 48 (8):

48

- (8) A Branch Committee may make a written request to the Federal Executive to wind-up a State Branch or merge with another State Branch. Upon approval of the request by the Federal Executive, a resolution shall be put to the next annual general meeting and voted on in accordance with the provisions of Rules 95 to 101, requiring a majority vote to be approved. Remaining members of a wound-up State Branch may affiliate with a State Branch of their choosing if not merging with another State Branch.

Delete Rule 49 (2):
49

- (2) Subject to the Model By-Laws (including amendments thereto) –
- a. each Branch Committee shall comprise office-bearers being a State President, State Vice-President, State Secretary and State Treasurer (or State Secretary /Treasurer) who shall be elected by resolution of members affiliated with that State Branch;
 - b. each Branch Committee shall in addition to the office-bearers referred to in paragraph (a) hereof comprise such number of members as the State Branch chooses and shall be elected in such manner as it chooses;
 - c. each Branch Committee shall comprise an Immediate Past President being the President from the preceding year; and
 - d. each State Branch shall once in every calendar year hold an annual general meeting of that State Branch.

And Replace with new Rule 49 (2):
49

- (2) Subject to the Model By-Laws (including amendments thereto) –
- a. each Branch Committee shall comprise office-bearers being a State President, State Vice-President, State Secretary and State Treasurer (or State Secretary /Treasurer) who shall be elected by resolution of members affiliated with that State Branch;
 - b. each Branch Committee shall in addition to the office-bearers referred to in paragraph (a) hereof comprise such number of members as the State Branch chooses and shall be elected in such manner as it chooses;
 - c. each Branch Committee shall comprise an Immediate Past President being the President from the preceding year;
 - d. where a State Branch comprises members from multiple States, to the extent possible, at least one member from each State shall be elected to the Branch Committee in such manner as the Branch chooses, subject to the requirements of Rule 49(2)(a); and
 - e. each State Branch shall once in every calendar year hold an annual general meeting of that State Branch.

Delete Rule 51 (1):
51

- (1) A Branch Committee shall have power to organise local seminars conferences and functions to convene meetings of the State Branch and generally to communicate with members affiliated with the State Branch with reference to matters within the objects of the Society together with such other powers as the Federal Executive may from time to time confer

And Replace with new Rule 51 (1):
51

- (1) A Branch Committee shall have power to organise local seminars conferences and functions to convene meetings of the State Branch and generally to communicate with members affiliated with the State Branch with reference to

matters within the objects of the Society together with such other powers as the Federal Executive may from time to time confer. Where a State Branch comprises members from multiple States, to the extent possible, the Branch Committee will organize local seminars conferences and functions in all States it encompasses.

Delete Rule 53:

- 53** A Branch Committee shall cause full and true accounts to be kept of all the financial and other transactions of such Branch Committee and of the profit and loss arising there from and shall on request at such times as may be required by the Federal Executive make available to the Secretary all the books of account and other books and documents necessary to enable the auditors of the Society properly to audit such accounts.

And Replace with new Rule 53:

- 53** A Branch Committee shall cause full and true records to be kept of all the financial and other transactions of such Branch Committee and in a timely manner, furnish such records to the Treasurer, or such delegate, to enable the auditors of the Society to properly audit the Society's accounts.

Delete Rule 54:

- 54** A Branch Committee shall cause to be established and maintained a Branch Register of members affiliated with it. A Branch Register shall be kept in the same manner as that in which the Principal Register is by Rule 2 required to be kept. A Branch Register shall be deemed to be part of the Principal Register. A Branch Committee shall transmit to the place at which the Society's Principal Register is kept a copy of every entry in its Branch Register as soon as practicable after the entry is made, and the Federal Executive shall cause the Principal Register to be entered up from time to time with details of the entries transmitted by a Branch Committee.

And Replace with new Rule 54:

- 54** Not used

Delete Rule 57 (6):

57

- (6) to invest and deal with any of the moneys of the Society but any investment of moneys beyond one year shall be subject to the approval of the members in general meeting;

And Replace with new Rule 57 (6):

57

- (6) to invest and deal with any of the moneys of the Society as may be thought fit and in the interests of the Society;

Delete Rule 69:

- 69** The President shall act as chairman of all meetings of the Federal Executive and in his absence the Vice President but if neither the President nor the

Vice President is present the members present may choose one of their number to be chairman of the meeting.

And Replace with new Rule 69:

- 69** The Chairman shall act as chairman of all meetings of the Federal Executive and in his absence the President but if neither the Chairman nor the President is present the members present may choose one of their number to be chairman of the meeting.

Delete Rule 82:

- 82** In accordance with the Act, the Annual General Meeting shall be held within five(5) months of the fiscal year of the Society and at such place as the Federal Executive may determine. All other meetings shall be called general meetings.

And Replace with new Rule 82:

- 82** In accordance with the Act, the Annual General Meeting shall be held within five (5) months of the fiscal year of the Society and at such place as the Federal Executive may determine (including by such means as teleconference or videoconference). All other meetings shall be called general meetings.

Delete Rule 91:

- 91** The President or in his absence the Vice President shall preside as chairman at every general meeting of the Society.

And Replace with new Rule 91:

- 91** The Chairman, or in his absence the President shall preside as chairman at every general meeting of the Society.

Delete Rule 92:

- 92** If neither the President nor the Vice President is present within ten minutes after the time appointed for holding the meeting or if being present he or they is or are unwilling to act as Chairman the members present shall choose one of their number to be chairman.

And Replace with new Rule 92:

- 92** If neither the Chairman nor President is present within ten minutes after the time appointed for holding the meeting or if being present he or they is or are unwilling to act as chairman the members present shall choose one of their number to be chairman.



Motion to Merge NSW & ACT Branches to form NSW/ACT Branch

For voting at 2021 AGM

The Federal Board has endorsed the following motion to be put to a vote at the 2021 AGM seeking member approval.

Motion: That the NSW and ACT State Branches merge to form the NSW/ACT Branch.

Rationale: Over the past 10 years, membership has been halved in the ACT Branch due to closure and downsizing of the main petroleum geoscience employers in Canberra. There is little opportunity to arrest this decline and attract new members from a diminishing industry pool. As a result of this decline, the Branch has been facing difficulties attracting members to serve on the Committee, making it difficult to sustain activities. It is the intention of this merger to allow ACT-based members to focus on providing value to ACT members (by still running short courses, seminars and social events) rather than administering a Branch Committee.

The merger will be effected under Rule 48(8) which is to be voted on by members at the 2021 AGM. Two further rule changes - 46(3)(a) and 48(1) - will also be required to update the list of branches forming the Society.

AMENDMENTS TO RULES

Delete Rule 46 (3) (a):

46

- (3) A Candidate team comprises a candidate for President, Secretary and/or Treasurer from that State Branch and a Vice President from the State Branch next in the rotation, and the Immediate Past President.
 - a. Commencing as of the 2010 Annual General meeting the rotation shall be as follows unless otherwise determined by the Federal Executive: Vic/Tas, NSW, SA/NT, WA, ACT, Qld.

And Replace with new Rule 46 (3) (a):

46

- (3) A Candidate team comprises a candidate for President, Secretary and/or Treasurer from that State Branch and a Vice President from the State Branch next in the rotation, and the Immediate Past President.
 - a. Commencing as of the 2021 Annual General meeting the rotation shall be as follows unless otherwise determined by the Federal Executive: SA/NT, WA, Qld, Vic/Tas, NSW/ACT.

Delete Rule 48 (1):

48

- (1) There shall for the purposes of these Rules be recognised the following branches of the Society:
 - (a) Victorian/Tasmanian Branch
 - (b) New South Wales Branch;
 - (c) South Australian/Northern Territory Branch;
 - (d) Western Australian Branch ;
 - (e) Australian Capital Territory; and
 - (f) Queensland Branch;

**And Replace with new Rule 48 (1):
48**

- (1) There shall for the purposes of these Rules be recognised the following branches of the Society:
 - (a) Victorian/Tasmanian Branch
 - (b) New South Wales/Australian Capital Territory Branch;
 - (c) South Australian/Northern Territory Branch;
 - (d) Western Australian Branch ; and
 - (e) Queensland Branch;



2021 Service Awards

The Federal Board have approved nominations for Service Awards and are pleased to announce the following awards to be made at the 2021 AGM.

PESA DISTINGUISHED SERVICE AWARD

The PESA Distinguished Service Award (DSA) recognises an outstanding long-term commitment to the Society (including leadership and involvement in Committees), the profession and to the upstream industry. It is the highest honour bestowed on an individual member by the Society.

Phillip Cooney (NSW Branch)

Phil has almost 40 years industry experience as an explorer and seismic interpreter, and throughout his career, has published numerous papers and remained passionate about mentoring young professionals. Phil has been a long-standing member of PESA, has held State and Federal committee roles (Federal Secretary 2013-2015) for extended periods and will again assume the position of Federal Secretary in 2021. For many years, Phil has served on the NSW State Committee and received the Meritorious Service Award in 2015 for that service. Since then, whilst continuing to serve on the State Branch Committee, Phil has served as the Chair of the Technical Program for the first AEGC (Sydney 2017), led the Website Sub-Committee with successful redevelopment of the PESA Website, and provided superb leadership of the Publication and Media Committee with transition to an online only format.

PESA MERITORIOUS SERVICE AWARD

The PESA Meritorious Service Award (MSA) recognizes who voluntarily provide exceptional service to PESA at State or Federal level over a significant period of time.

Helen Debenham (WA Branch)

Helen has been a proactive and engaging member of the WA committee for several years, organising technical events and speakers before assuming the role of Branch President. Helen has been pivotal in maintaining the high tempo activity of the branch pushing ahead with courses and field trips, a successful sponsorship program and supporting the special interest groups in the branch. Recently Helen served as technical chair of the AEGC conference held in Perth which was well regarded with a successful WABS stream being co-ordinated. During the recent trying times of COVID, Helen was instrumental in setting up the successful online webinar series which has been serving members and keeping them engaged.

Mark Di Bacco (QLD Branch)

Mark has been a long serving and dedicated member who has contributed considerable time and effort to the continued success of PESA QLD. He has one of the first hands that go up when a job needs to be done and without him PESA QLD would not have been as successful over the last 5 years. Mark's dedication to PESA QLD is particularly exemplary as his career has shifted away from the industry yet Mark's connection to PESA has remained strong.

Melanie Fitzell (QLD Branch)

Melanie has been a long serving and dedicated member who has contributed considerable time and effort to the continued success of PESA QLD. She has one of the first hands that go up when a job needs to be done and without her PESA QLD would not have been as successful over the last 5 years. Melanie truly is the industry Bright Spark that APPEA has highlighted.

PETROLEUM EXPLORATION SOCIETY OF AUSTRALIA LTD

Nomination of Elected Member Positions

AGM 20 May 2021

In accordance with Rule 46(1), all members of the Executive retire and following the completion of the maximum two-year term under Rule 46(1), the President is ineligible for re-election to his position.

The below financial members have accepted nominations and therefore stand for election for the nominated positions on the 2021/2022 Federal Executive.

President – Bronwyn Camac (SA/NT)*

Vice-President – Helen Debenham (WA)**

Treasurer – Max Williamson (NSW)*

Secretary – Phillip Cooney (NSW)*

The below financial members have been appointed to the 2021/2022 Federal Executive.

Immediate Past President appointed per Rule 37(3):

Nathan Parker – QLD

Chairman appointed as per Rule 46(9):

Steve Mackie – SA/NT

State Branch Representatives appointed as per Rule 37(2):

NSW/ACT – Alex Bruce

Queensland – Sam Ware

Victoria – Tim O'Brien

SA/NT – Iain Campbell

Western Australia – Adam Craig

* Vic/Tas were next in the rotation following QLD but were unable to provide a Candidate team comprising President, Secretary and/or Treasurer as per Rule 46(2). NSW, as next in the rotation were only able to provide a Treasurer and Secretary. SA/NT as next in rotation were able to provide a President and in accordance with Rule 46(3)(b) will therefore form a Candidate team with NSW.

** WA are the next in rotation to offer a candidate team following SA/NT (Rule 46(3)).