



# ENTEK ENERGY LIMITED

ABN 43 108 403 425

## NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

**Date of Meeting**  
28 November 2011

**Time of Meeting**  
10 am (Perth time)

**Place of Meeting**  
Ground Floor, 15 Rheola St, West Perth, Western Australia

**A Proxy Form is enclosed**

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

# ENTEK ENERGY LIMITED

## ABN 43 108 403 425

### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Entek Energy Limited ABN 43 108 403 425 (Company) will be held at Ground Floor, 15 Rheola St, West Perth, Western Australia on 28 November 2011 at 10 am (Perth time) for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

### AGENDA

#### ITEMS OF BUSINESS

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##### Financial Reports

To receive and consider the financial statements of the Company for the year ended 30 June 2011, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

**1. Resolution 1 - Non Binding Resolution to adopt Remuneration Report**

To consider and, if thought fit, pass the following as an **ordinary resolution**.

*"That the Remuneration Report as set out in the Annual Report for the year ended 30 June 2011 be adopted."*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

The Company will disregard any votes cast on Resolution 1 by or on behalf of a Restricted Voter<sup>1</sup>. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a Restricted Voter.

Further, the Company will not disregard a vote cast by the Chair of the meeting as a proxy, if the appointment of the Chair expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

**2. Resolution 2 - Re-election of Andrew Padman as a Director**

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

*"That, Andrew Padman, who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director."*

**3. Resolution 3 - Re-election of Graham Riley as a Director**

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

*"That, Graham Riley, who ceases to hold office in accordance with clause 13.5 of the Constitution and, being eligible for re-election, be re-elected as a Director."*

**4. Resolution 4 - Re-election of Alex Forcke as a Director**

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

*"That, Alex Forcke, who ceases to hold office in accordance with clause 13.5 of the Constitution and, being eligible for re-election, be re-elected as a Director."*

#### OTHER BUSINESS

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To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

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<sup>1</sup> "Restricted Voter" means Key Management Personnel and their Closely Related Parties as defined in the glossary.

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Certain abbreviations and other defined terms are used throughout this Notice and the Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

**By order of the Board**

**Andrew Gastevich**  
Company Secretary

Dated: 26<sup>th</sup> October 2011

## How to vote

Shareholders can vote by either:

- attending the meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, or by facsimile.

## Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting.

## Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed.

## Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolution 1, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

- Should any Resolution, other than those specified in this Notice, be proposed at the meeting, a proxy may vote on that resolution as they think fit.
  - If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
  - Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction how to vote will be used where possible to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed resolutions. These rules are explained in this Notice.
  - To be effective, proxies must be lodged by 10 am (Perth time) on 26 November 2011. Proxies lodged after this time will be invalid.
  - Proxies may be lodged using any of the following methods:
    - by returning a completed proxy form in person or by post using the pre-addressed envelope provided with this Notice to:  
**Computershare Investor Services Pty Ltd**  
**GPO Box D182**  
**Perth WA 6840**  
OR  
**Computershare Investor Services Pty Ltd**  
**Level 2, 45 St Georges Terrace**  
**Perth WA 6000**  
OR  
- by faxing a completed proxy form to 08 9323 2033 (in Australia) or +61 8 9323 2033(outside Australia)
- The proxy form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10 am (Perth time) on 26 November 2011. If facsimile transmission is used, the power of attorney must be certified.

**Shareholders who are entitled to vote**

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 5pm (Perth Time) 26 November 2011.

# ENTEK ENERGY LIMITED

## ABN 43 108 403 425

### EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of Entek Energy Limited (the **Company**).

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to this Explanatory Memorandum.

#### FINANCIAL REPORTS

The first item of the Notice of Annual General Meeting deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2011 together with the Directors' declaration and report in relation to that financial year and the auditor's report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the independent audit report;
- the accounting policies adopted by the Company in relation to the preparation of accounts; and
- the independence of the auditor in relation to the conduct of the audit.

#### RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's 2011 Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Report 2011 and is also available on the Company's website (<http://www.entekenergy.com.au>).

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at the 2011 AGM, and then again at the 2012 AGM, the Company will be required to put a resolution to the 2012 AGM, to approve calling an extraordinary general meeting (**spill resolution**). If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene an extraordinary general meeting (**spill meeting**) within 90 days of the 2012 AGM. All of the Directors who were in office when the 2012 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the spill meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any share based compensation.

## **Voting**

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the directors and other Restricted Voters may not vote on this Resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair will use any such proxies to vote in favour of the Resolution.

Shareholders are urged to carefully read the proxy form and provide a direction to the proxy on how to vote on this Resolution.

## **RESOLUTION 2 - RE-ELECTION OF ANDREW PADMAN AS A DIRECTOR**

Pursuant to Clause 13.2 of the Company's Constitution, Andrew Padman, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Mr Padman has over 32 years experience in the upstream petroleum E & P industry, working on new ventures, exploration and exploitation projects in the sedimentary basins of South East Asia and the United Kingdom (North Sea), and most of the basins of Australia and New Zealand, with experience in the Gulf Coast of the United States.

Since returning to Australia in 1992 after 11 years working internationally, Mr Padman was employed by Woodside Petroleum Ltd as a geophysical technical specialist. From 1996 to early 2008, Mr Padman served as Exploration Manager to Discovery Petroleum, Premier Oil Australia, Gulf Australia, Newfield Australia and ARC Energy, gaining extensive experience in exploration strategies, portfolio management and business development, particularly across the South East Asian region.

### **Directors' recommendation**

The Directors, with Mr Padman abstaining, recommend that Shareholders vote in favour of the re-election of Mr Padman.

## **RESOLUTION 3 - RE-ELECTION OF GRAHAM RILEY AS A DIRECTOR**

Clause 13.5 of the Constitution provides that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Graham Riley retires from office in accordance with the requirements of clause 13.5 of the Constitution and submits himself for re-election in accordance with clause 13.5.

Mr Riley is a qualified legal practitioner with significant experience in the resources sector, particularly in oil and gas exploration and production. He was a foundation Director of ARC Energy Limited and a former Non-Executive Director of Adelphi Energy Limited prior to its takeover last year. Mr Riley was also Chairman of Red Hill Limited and Giralia Resources NL, where prior to its takeover he oversaw the spin out of numerous independently listed commodity-specific explorers. He is currently the Chairman of Gascoyne Resources Limited and Buru Energy Limited, and a Non Executive Director of Target Energy Limited.

### **Directors' recommendation**

The Directors, with Mr Riley abstaining, recommend that Shareholders vote in favour of the election of Mr Riley.

## **RESOLUTION 4 - RE-ELECTION OF ALEX FORCKE AS A DIRECTOR**

Clause 13.5 of the Constitution provides that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Alex Forcke retires from office in accordance with the requirements of clause 13.5 of the Constitution and submits himself for re-election in accordance with clause 13.5.

Alex Forcke is a public company executive with considerable financial and commercial experience gained in over twenty years in both the resources and investment banking industries. Mr Forcke was the Executive Chairman of Adelphi Energy Limited, a successful ASX listed oil & gas explorer with US shale gas interests prior to being taken over in 2010. He was also a long standing Director of ARC Energy Limited in a commercial and financial executive role. Prior to entering the oil and gas industry, Mr Forcke had established an international career in project finance and investment banking. Mr Forcke has a Bachelor of Commerce degree from the University of Western Australia and is a member of the Australian Institute of Company Directors.

#### **Directors' recommendation**

The Directors, with Mr Forcke abstaining, recommend that Shareholders vote in favour of the election of Mr Forcke.

## GLOSSARY

"**Accounting Standards**" has the meaning given to that term in the Corporations Act;

"**Annual General Meeting**" or "**Meeting**" means the annual general meeting the subject of the Notice;

"**Annual Report**" means the annual report of the Company for the year ended 30 June 2011;

"**ASX**" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"**Board**" means the board of Directors of the Company;

"**Closely Related Party**" has the meaning given to that term in the Corporations Act;

"**Company**" means Entek Energy Limited ABN 43 108 403 425;

"**Constitution**" means the constitution of the Company;

"**Corporations Act**" means the *Corporations Act 2001* (Cth);

"**Director**" means a director of the Company;

"**Explanatory Memorandum**" means the explanatory memorandum accompanying this Notice;

"**Key Management Personnel**" has the meaning given to that term in the Accounting Standards;

"**Listing Rules**" means the Listing Rules of the ASX;

"**Notice**" means the notice of annual general meeting which accompanies this Explanatory Memorandum;

"**Resolution**" means a resolution proposed pursuant to the Notice;

"**Restricted Voter**" means Key Management Personnel and their Closely Related Parties;

"**Share**" means a fully paid ordinary share in the capital of the Company; and

"**Shareholder**" means a registered holder of Shares.

**PROXY FORM**  
**ENTEK ENERGY LIMITED**  
**ABN 43 108 403 425**



000001 000 ETE  
 MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Appointment of Proxy**

If appointing a proxy to attend the Annual General Meeting on your behalf please complete the form and submit it in accordance with the directions on the reverse of the page.

I/We \_\_\_\_\_ of \_\_\_\_\_ being a shareholder/shareholders of Entek Energy Limited pursuant to my/our right to appoint not more than two proxies, appoint:

The Chairman of the Meeting **OR** (mark with an "X")

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

Write here the name of the person you are appointing as a second proxy (if any).

or failing him/her, (if no proxy is specified above), the Chairman of the meeting, as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting to be held at the Ground Floor, 15 Rheola Street, West Perth, Western Australia on 10 am at 28 November 2011 (Perth time) and at any adjournment of that meeting.

This proxy is to be used in respect of \_\_\_\_\_ % of the ordinary shares I/we hold.

**Important for Resolution 1- If the Chair of the Meeting is your proxy or is appointed as your proxy by default**

By marking this box, you are directing the Chair of the Meeting to vote in accordance with the Chair's voting intentions on Resolution 1 as set out in the Notice of Meeting. If you do not mark this box, and you have not directed your proxy how to vote on Resolution 1, the Chair of the Meeting will not cast your votes on Resolution 1 and your votes will not be counted in computing the required majority if a poll is called on these items. If you appoint the Chair of the Meeting as your proxy you can direct the Chair how to vote by either marking the boxes below (for example if you wish to vote against or abstain from voting) or by marking this box (in which case the Chair of the Meeting will vote in favour of Resolution 1).

The Chair of the Meeting intends to vote all available proxies in favour of Resolution 1.

I/We direct the Chair of the Meeting to vote in accordance with the Chair's voting intentions on Resolution 1 (except where I/we have indicated a different voting intention below) and acknowledge that the Chairman of the Meeting may exercise my proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

RESOLUTION	For	Against	Abstain *
1. Non Binding Resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Andrew Padman as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of Graham Riley as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Re-election of Alex Forcke as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**PLEASE SIGN HERE**

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Executed in accordance with section 127 of the Corporations Act:

**Individual or Shareholder 1**

**Joint Shareholder 2**

**Joint Shareholder 3**

Sole Director & Sole Company Secretary

Director

Director/ Company Secretary

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Contact Name

Contact Business Telephone / Mobile

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#### INSTRUCTIONS FOR COMPLETING PROXY FORM

1. Completion of a proxy form will not prevent individual Shareholders from attending the Annual General Meeting in person if they wish. Where a Shareholder completes and lodges a valid proxy form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Annual General Meeting.
2. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes.
3. A proxy need not be a Shareholder of the Company.
4. If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.
5. Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
6. If a representative of a company Shareholder is to attend the Meeting, a properly executed original (or certified copy) of evidence of appointment. The appointment must comply with section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment to including any authority under which it is signed.
7. If a representative as power of attorney of a Shareholder is to attend the Meeting, a properly executed original (or certified copy) of the appropriate power of attorney under which they have been authorised should be produced for admission to the Annual General Meeting.

#### 8. Signing Instructions

You must sign this form as follows in the spaces provided:

**Individual:** Where the holding is in one name, the holder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the Shareholders should sign.

**Power of Attorney:** If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary this form must be signed by that person.

If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone.

Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

#### 9. Lodgement of a Proxy

This Proxy Form (and any power of attorney under which it is signed) must be received at the address below not later than 10 am (Perth time) on 26 November 2011 (48 hours before the commencement of the Meeting).

Any Proxy Form received after that time will not be valid for the scheduled Meeting.

**Hand deliveries:** Computershare Investor Services Pty Ltd, Level 2, 45 St Georges Terrace, Perth WA 6000

**Postal address:** Computershare Investor Services Pty Ltd, Level 2, 45 St Georges Terrace, Perth WA 6000

**Fax number:** 08 9323 2033 (in Australia) or +61 8 9323 2033 (outside Australia)