



# **ENTEK ENERGY LIMITED**

**ABN 43 108 403 425**

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

**Date of Meeting**  
**27 November 2014**

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

**Place of Meeting**  
**Ground Floor, 338 Hay St, Subiaco, 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, 338 Hay St, Subiaco, Western Australia on 27 November, 2014 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

#### Financial Reports

To receive and consider the financial statements of the Company for the year ended 30 June 2014, 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, to pass the following as a **non-binding resolution**.

*"That the Remuneration Report as set out in the Annual Report for the year ended 30 June 2014 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

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

- (b) it is not cast on behalf of a Restricted Voter.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (b) the proxy is the Chair of the Meeting and the appointment 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 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."*

#### OTHER BUSINESS

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

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**

**Nerida Schmidt**

Company Secretary

Dated: 24<sup>th</sup> October 2014

## 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, electronically via the Internet 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. To be effective a certified copy of the power of attorney, or the original power of attorney under which they have been authorised to attend and vote at the meeting, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

### 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 25 November 2014. 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 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)

OR

- electronically at the share registry website [www.investorvote.com.au](http://www.investorvote.com.au). Please refer to the enclosed proxy form for more information about submitting proxy voting instructions online. For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com)

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 25 November 2014. 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) 25 November 2014.

# 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**).

#### 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 2014 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.

The Chair will also allow a reasonable opportunity for the Auditor to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

#### 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 2014 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 2014 and is also available on the Company's website [www.entekenergy.com.au](http://www.entekenergy.com.au)

Under the Corporations Act, if at least 25% of the votes cast are against adoption of the Remuneration Report at an AGM, and then again at the following AGM, the Company will be required to put a resolution to the following 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 following AGM. All of the Directors who were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the spill meeting if they wish to continue as Directors.

The Remuneration Report for the financial year ended 30 June 2013 did not receive a vote of more than 25% against its adoption at the Company's last AGM held on 25 November 2013. Accordingly, a Spill Resolution is not required to be included in this Notice.

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 equity based compensation.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on the Remuneration Report.

### **Voting**

Note that a voting exclusion applies to Resolution 1 on 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 graduated from the University of Tasmania in 1976 with a Bachelor of Science in Geology and Geophysics, and with Bachelor of Science (Honours) in Geophysics in 1977. He is a member of the Australian Institute of Company Directors, the Australian Petroleum Production & Exploration Association and the Australian Society of Exploration Geophysicists.

Mr Padman has over 37 years of experience in the upstream petroleum E & P industry, working on new ventures, exploration and exploitation projects in the sedimentary basins of South East Asia; the United Kingdom (North Sea); most of the basins of Australia and New Zealand, and also with experience in the Gulf Coast of the United States.

After 11 years working internationally with Exxon Corporation, Mr Padman returned to Australia in 1992, at which time he was employed by Woodside Petroleum Ltd as a geophysical technical specialist providing advanced technical solutions to geophysical problems pertinent to Woodside's exploration efforts.

From 1996 to early 2008, Mr Padman served as Exploration Manager respectively 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. Since 2008, he has worked as a consultant to the Petroleum Exploration Industry, delivering strategic, portfolio management and geophysical support to a broad spectrum of client companies across S E Asia.

Mr Padman was appointed as a Non-Executive Director of the Company on 1 September, 2008 and is an independent director. He holds no other directorships of ASX listed companies.

### **Directors' recommendation**

The Directors (in the absence of Mr Padman) recommend that Shareholders vote in favour of the re-election of Mr Padman.

## GLOSSARY

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

"**AGM**" means annual general meeting;

"**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 2014;

"**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; and

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