



# Marion Energy Limited

Extraordinary General Meeting

19 June 2014



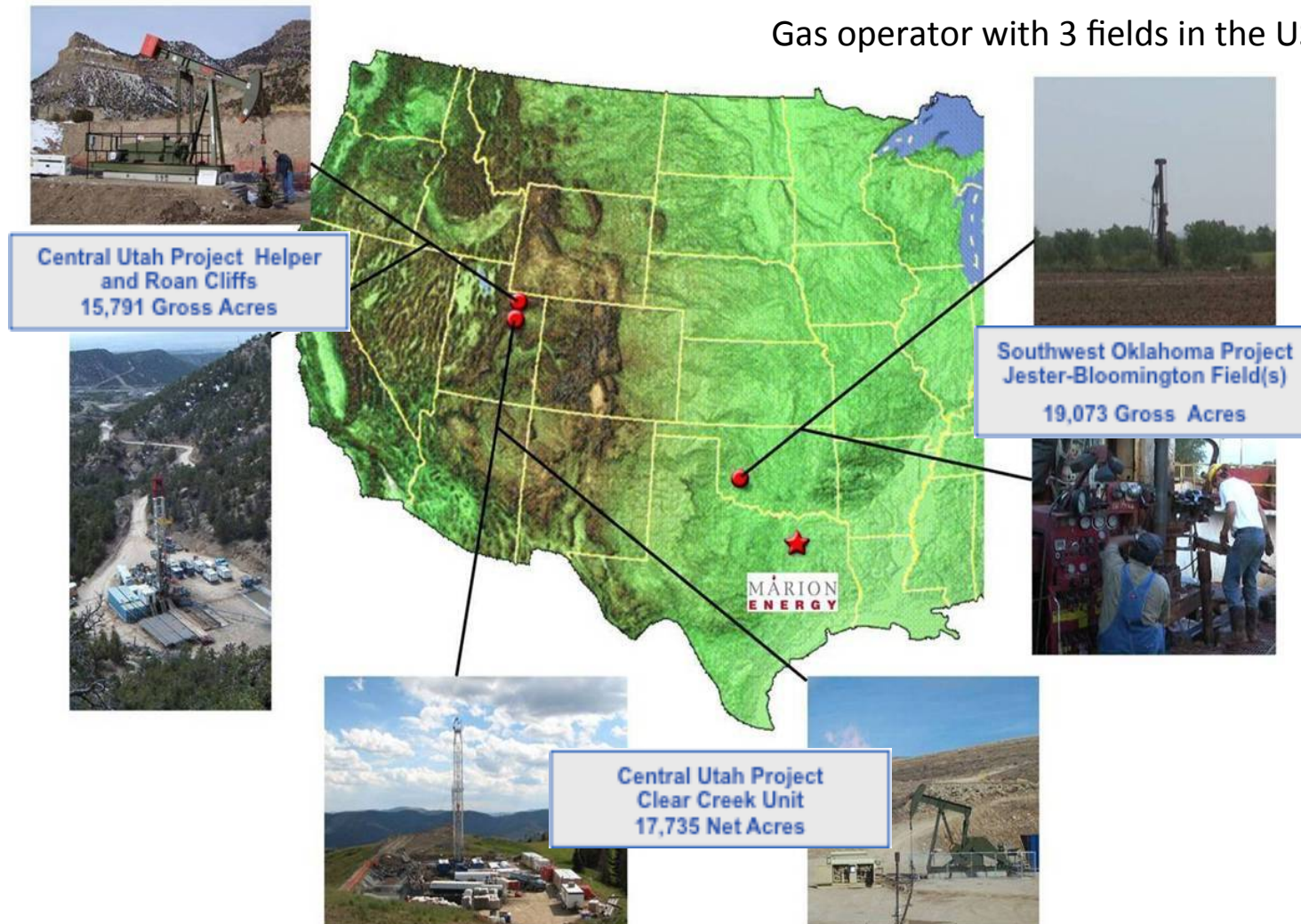
## Meeting Agenda

- Tabling of Financial Reports
- Question Time on Financial Reports
- Chairman's address
- Ordinary Business
- Special Business
- General Question Time



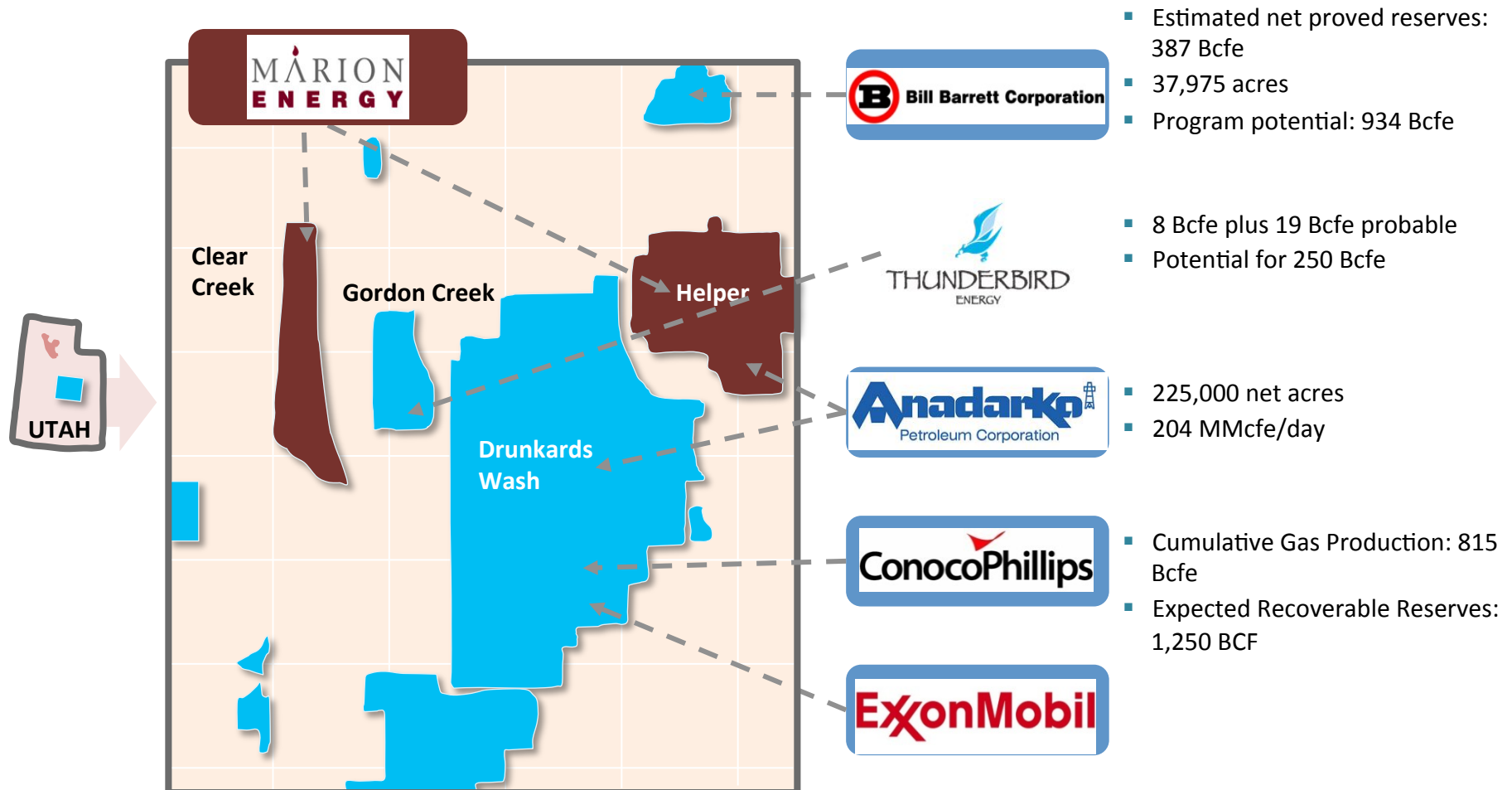
## Location of gas projects

Gas operator with 3 fields in the US





## Location of key Utah assets



Reserves and production data from: Bill Barrett FY10 Company Accounts, Thunderbird Energy investor presentation, [Anadarko and ConocoPhillips source?]



## Stabilisation program

Since the Company's shares were suspended from trading on the ASX in October 2011, the Company has undergone a significant stabilisation program

	Jun-14
Restructured banking facilities	✓
Improved creditor position	✓
Historical financial accounts lodged	✓
Improved corporate governance and reporting	✓



## Operational Update

The following wells drilled and/or completed by Marion have now been brought into production:

- Ridge Runner (RR) 13-17, 11-17, 2-19, 11-20 and 1-30;
- Alpine School District (ASD) 6-17 and the Oman 2-20; and
- The Utah Fuel #8 and #10.

New compression was added and power generation installed in the field

Gathering pipeline system has been tested, repaired and upgraded and the water disposal well has been tested, all to the satisfaction of the relevant regulatory authorities



## **Corporate Update**

Company has signed a mandate with 333 Capital in relation to the potential refinance and disposal of assets of Marion Inc

Announcement in relation to this was made to ASX this morning



## Resolution 1: Adoption of Remuneration Report – 2011

“To adopt the Remuneration Report for the year ended 30 June 2011 submitted as part of the Directors’ Report for the financial year ended 30 June 2011, pursuant to sections 250R(2) and 250R(3) of the Corporations Act 2001 (Corporations Act).”

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
77,973,973	10,698,507	83,159,527	303,523	93.77%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.





## Resolution 2: Adoption of Remuneration Report – 2012

“To adopt the Remuneration Report for the year ended 30 June 2012 submitted as part of the Directors’ Report for the financial year ended 30 June 2012, pursuant to sections 250R(2) and 250R(3) of the Corporations Act 2001 (Corporations Act).”

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
77,973,973	10,698,507	83,159,527	303,523	93.77%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## Resolution 3: Adoption of Remuneration Report – 2013

“To adopt the Remuneration Report for the year ended 30 June 2013 submitted as part of the Directors’ Report for the financial year ended 30 June 2013, pursuant to sections 250R(2) and 250R(3) of the Corporations Act 2001 (Corporations Act).”

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
78,851,073	9,822,307	83,159,527	302,623	94.28%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## Resolution 4: Re-Election of Director – Mr Karel Louman

“That Mr Karel Louman who retires by rotation under clause 6.3(c) of the Company’s Constitution, being eligible, is elected a director of the Company .”

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
77,088,632	11,624,017	83,132,427	290,454	93.24%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## Resolution 5: Re-Election of Director – Mr Jeffrey Clarke

“That Mr Jeffrey Clarke who retires in accordance with clause 6.3(c) of the Company’s Constitution, being eligible, is elected as a Director of the Company””

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
62,326,160	26,386,489	83,132,427	290,454	84.65%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## Resolution 6: Election of Director – Mr Stephen Watts

“That Mr Stephen Watts who, having been appointed as a Director in accordance with clause 6.2 (b) of the Company’s Constitution, being eligible, is elected as a Director of the Company in accordance with clause 6.3(j) of the Company’s Constitution.”

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
87,266,355	1,446,294	83,132,427	290,454	99.16%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## Resolution 7: Election of Director – Mr Nicholas Stretch

“That Mr Nicholas Stretch who, having been appointed as a Director in accordance with clause 6.2 (b) of the Company’s Constitution, being eligible, is elected as a Director of the Company in accordance with clause 6.3(j) of the Company’s Constitution.”

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
86,945,901	1,766,748	83,132,427	290,454	98.97%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## Resolution 8: Consolidation of Shares

“That in accordance with section 254H(1) of the Corporations Act and with immediate effect, the issued capital of the Company be consolidated on the basis that every 10 shares in the capital of the Company be consolidated into one ordinary share, on the terms and conditions set out in the Explanatory Memorandum.”

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
69,868,714	18,885,389	83,131,427	250,000	89.01%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 9: Approval for issue of options to KM Custodians**

"That for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue to KM Custodians of 221,055,405 options with an exercise price of \$0.003 and an expiry date which is two years from the date the Company is re-listed on ASX, for the consideration and on the further terms and conditions set out in the Explanatory Memorandum"

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
68,981,423	11,431,900	83,132,427	8,589,780	93.01%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.





## **Resolution 10: Ratification of prior issue of options to KM Custodians**

"That for the purpose of ASX Listing Rule 7.4 and all other purposes Shareholders ratify the issue of 43,449,967 options with an exercise price of \$0.003 and an expiry date which is two years from the date the Company is re-listed on ASX, for the consideration and on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
67,520,965	12,892,358	83,135,927	8,586,280	92.12%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 11: Approval for issue of Shares to Jeffrey Clarke or a nominee**

"Subject to the passing of Resolutions 12 and 13 that, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the issue of a total of 90,000,000 Shares by the Company, to Jeffrey Clarke or a nominee, in lieu of payment of entitlements, as further described in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
50,931,017	25,383,868	83,131,427	12,689,218	84.08%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 12: Approval for issue of Shares to Peter Collery or a nominee**

"Subject to the passing of Resolutions 11 and 13, that, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the issue of a total of 90,000,000 Shares by the Company, to Peter Collery or a nominee, in lieu of payment of entitlements, as further described in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
48,341,251	59,909,488	53,395,573	10,489,218	62.94%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 13: Approval for issue of Shares to Karel Louman or a nominee**

"Subject to the passing of Resolutions 11 and 12, that, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the issue of a total of 90,000,000 Shares by the Company, to Karel Louman or a nominee, in lieu of payment of entitlements, as further described in the Explanatory Memorandum"

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
48,253,793	20,184,941	83,131,427	20,565,369	86.68%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 14: Approval for issue of options to Jeffrey Clarke or a nominee**

"Subject to the passing of Resolutions 15 and 16 that, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the Company to issue Jeffrey Clarke or a nominee 45,641,556 options with a nil exercise price and an expiry date of 13 months from the date of issue as consideration for deferral of payment of entitlements, as further described in the Explanatory Memorandum, and on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
50,771,017	27,643,868	83,131,427	10,589,218	82.89%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 15: Approval for issue of options to Peter Collery or a nominee**

"Subject to the passing of Resolutions 14 and 16 that, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the Company to issue Peter Collery or a nominee 66,396,500 options with a nil exercise price and an expiry date of 13 months from the date of issue as consideration for deferral of payment of entitlements, as further described in the Explanatory Memorandum, and on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
50,377,251	57,729,488	53,539,573	10,489,218	64.29%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 16: Approval for issue of options to Karel Louman or a nominee**

"Subject to the passing of Resolutions 14 and 15 that, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the Company to issue Karel Louman or a nominee 14,305,550 options with a nil exercise price and an expiry date of 13 months from the date of issue as consideration for deferral of payment of entitlements, as further described in the Explanatory Memorandum, and on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
49,979,793	18,314,941	83,275,427	20,565,369	87.92%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 17: Ratification of prior issue of options to Nick Stretch Legal Pty Limited**

"That for the purpose of ASX Listing Rule 7.4 and all other purposes Shareholders ratify the issue of 135,781,145 options with an exercise price of \$0.006 and an expiry date which is two years from the date the Company is re-listed on ASX to Nick Stretch Legal Pty Limited as bare trustee for investors in the Company, for the consideration and on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
80,562,099	5,807,604	83,275,427	2,490,400	96.58%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.





## **Resolution 18: Approval for issue of options to Nick Stretch Legal Pty Limited**

"That for the purpose of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and all other purposes, Shareholders approve the issue to Nick Stretch Legal Pty Limited as bare trustee for investors in the Company of 50,734,824 options with an exercise price of \$0.006 and an expiry date which is two years from the date the Company is re-listed on ASX and for the consideration and on the further terms and conditions set out in the Explanatory Memorandum (Second NSL Option Issue)."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
80,619,728	5,749,975	83,275,427	2,490,400	96.61%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 19: Approval for issue of options to Mr Stephen Watts**

"That, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the Company to issue to Mr Stephen Watts 2,029,393 options forming part of, and included within, the Second NSL Option Issue, and on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
82,117,274	4,252,429	53,889,663	2,690,400	96.97%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 20: Approval for issue of Shares and options to Holders of Convertible Notes**

"That for the purpose of ASX Listing Rule 7.1, and for all other purposes, approval be given to the Company to issue up to a total of 205,333,333 Shares and a total of 91,666,667 options to the persons listed as holders of the Convertible Notes issued on 2 August 2013 (Convertible Note Issue), on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
80,605,882	4,619,652	83,275,427	3,634,569	97.26%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 21: Approval for issue of Shares and options to entities associated with Mr Stephen Watts in respect of Convertible Notes**

"That for the purpose of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the Company to issue up to a total of 16,800,000 Shares and a total of 7,500,000 options to subscribe for Shares to entities associated with Mr Stephen Watts in respect of the Convertible Note Issue, on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
82,814,080	3,552,623	53,889,663	2,693,400	97.47%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 22: Approval for Issue of New Listed Options to Existing Option Holders**

"That for the purpose of ASX Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 139,326,777 options to the persons listed as holders of Marion Energy Limited listed options denoted by the ASX symbol MAEOA, other than the persons to whom Resolutions 23 to 26 relate, which expired on 10 December 2012 for no consideration and on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
76,129,463	11,188,140	83,275,427	1,542,500	93.44%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 23: Approval for Issue of New Listed Options to an entity controlled by Stephen Watts**

"That, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the Company to issue to the trustee of the Watts Family Trust 4,260,909 New Listed Options for no consideration and on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
74,028,065	11,988,638	53,889,663	3,043,400	91.43%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 24: Approval for Issue of New Listed Options to Karel Louman or a nominee**

"That, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the Company to issue to Karel Louman or a nominee 16,742,200 New Listed Options for no consideration and on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
58,646,339	17,644,213	83,275,427	12,569,551	88.94%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 25: Approval for Issue of New Listed Options to Peter Collery or a nominee**

"That, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the Company to issue to Peter Collery or a nominee 16,903,400 New Listed Options for no consideration and on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
46,518,979	59,234,760	53,539,573	12,842,218	62.81%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.





## **Resolution 26: Approval for Issue of New Listed Options to Jeffrey Clarke or a nominee**

"That, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the Company to issue to Jeffrey Clarke or a nominee 17,554,400 New Listed Options for no consideration and on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
58,928,018	27,691,685	83,275,427	2,240,400	83.70%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.



## **Resolution 27: Issue of shares and options to employees and contractors**

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval be given to the Company to issue to employees and contractors of the Company up to 10,000,000 Shares, and up to 103,000,000 options (in total) with an exercise price of \$0.006 and an expiry date two years from the date of issue, for no consideration and on the further terms and conditions set out in the Explanatory Memorandum."

Proxy votes received are as follows:

For	Against	Open proxies (see below)	Abstain	Percentage in favour (inc. open proxies)
72,993,126	13,473,577	83,275,427	2,393,400	92.06%

Open proxies in favour of the chair of the meeting at the time of the meeting will be voted in favour.