

For the General Meeting of the Company to be held at
10:00am (AWST) on Wednesday, 30 July 2014 at

Level 1, 330 Churchill Avenue,
Subiaco, Western Australia



NOTICE OF GENERAL MEETING JULY 2014

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION!

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

**Should you wish to discuss any matter please do not hesitate to contact the
Company by telephone on +61 8 9322 4071**



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NOTICE OF GENERAL MEETING JULY 2014



Notice is hereby given that a general meeting of shareholders of Forte Energy NL (**Company**) will be held at Level 1, 330 Churchill Avenue, Subiaco, Western Australia, on Wednesday, 30 July 2014 at 10:00am (AWST) (**Meeting**).

The Explanatory Memorandum attached to this Notice provides additional information on the matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Monday, 28 July 2014 at 10:00am (AWST).

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. RESOLUTION 1 – APPROVAL TO ISSUE PLACEMENT SHARES

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

*"That pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 600,000,000 Shares (**Placement Shares**) pursuant to the Placement on the terms and conditions detailed in the Explanatory Memorandum."*

However, the Company will not disregard a vote if:

- (i) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (ii) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

VOTING EXCLUSION

The Company will disregard any votes cast on this Resolution by a person who may participate in the Placement and a person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if the Resolution is passed, and any associate of that person.

2. RESOLUTION 2 – APPROVAL TO ISSUE PLACEMENT WARRANTS

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To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 300,000,000 Placement Warrants pursuant to the Placement on the terms and conditions detailed in the Explanatory Memorandum."

VOTING EXCLUSION

The Company will disregard any votes cast on this Resolution by a person who may participate in the Placement and a person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if the Resolution is passed, and any associate of that person.

However, the Company will not disregard a vote if:

- (i) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (ii) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – APPROVAL TO ISSUE SPP SHARES

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To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 200,000,000 Shares pursuant to the Share Purchase Plan (SPP Shares) in accordance with the terms and conditions detailed in the Explanatory Memorandum."

VOTING EXCLUSION

Unless an appropriate waiver is granted by ASX, the Company will disregard any votes cast on this Resolution by a person who may participate in the Share Purchase Plan and a person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if the Resolution is passed, and any associate of that person.

However, the Company will not disregard a vote if:

- (i) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (ii) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – RATIFICATION OF GRIT PLACEMENT

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve the issue of 170,000,000 Shares on the terms and conditions in the Explanatory Memorandum."

VOTING EXCLUSION

The Company will disregard any votes cast on this Resolution by a person who participated in the GRIT Placement and any associate of that person (or those persons).

The Company will not disregard any votes if:

- (i) It is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (ii) It is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – RATIFICATION OF LOAN NOTE ISSUE

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve the issue of Loan Notes to Darwin Strategic Limited (Lender) in accordance with the Loan Instrument and as detailed in the Explanatory Memorandum."

VOTING EXCLUSION

The Company will disregard any votes cast on this Resolution by a person who participated in the Loan Notes and any associate of that person (or those persons).

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (ii) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 – APPROVAL OF LOAN NOTE WARRANTS

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of the Loan Note Warrants in accordance with the Warrant Deed and as detailed in the Explanatory Memorandum."

VOTING EXCLUSION

The Company will disregard any votes cast on this Resolution by a person who may participate in the Loan Note Warrants and a person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if the Resolution is passed, and any associate of that person.

However, the Company will not disregard a vote if:

- (i) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (ii) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 30 June 2014

BY ORDER OF THE BOARD



Murray Wylie
Company Secretary

NOTICE OF GENERAL MEETING JULY 2014



FORTE ENERGY NL
ACN 009 087 852

EXPLANATORY MEMORANDUM

1. INTRODUCTION

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This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 1, 330 Churchill Avenue, Subiaco, Western Australia on Wednesday, 30 July 2014 at 10:00am (AWST).

This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions.

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

- Section 2** Action to be taken by Shareholders
 - Section 3** Joint Venture with EUU
 - Section 4** Capital Raising
 - Section 5** Loan Instrument and Warrant Deed
 - Section 6** Resolution 1 – Approval to issue Placement Shares
 - Section 7** Resolution 2 – Approval to issue Placement Warrants
 - Section 8** Resolution 3 – Approval to issue SPP Shares
 - Section 9** Resolution 4 – Ratification of GRIT Placement
 - Section 10** Resolution 5 – Ratification of Loan Note Issue
 - Section 11** Resolution 6 – Approval of Loan Note Warrants
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- Schedule 1** Definitions
 - Schedule 2** Terms of the Warrant Deed
 - Schedule 3** Warrant terms and conditions
 - Schedule 4** Listing Rule 5.12 Information
 - Schedule 5** Terms of the Loan Note

A Proxy Form is enclosed with this Notice.

2. ACTION TO BE TAKEN BY SHAREHOLDERS

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Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1. Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 10:00am (AWST) on Monday, 28 July 2014, being at least 48 hours before the Meeting.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2. CREST – Depositary Interests

Holders of depositary interests in CREST (DI) are invited to attend the Meeting but are not entitled to vote at the Meeting. In order to have votes cast at the Meeting on their behalf, DI holders must complete, sign and return the Form of Instructions forwarded to them along with this Notice to the Company's agent, Computershare UK, no later than 3pm London Time (being 10pm AWST) on Wednesday, 23 July 2014.

3. JOINT VENTURE WITH EUU

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3.1. Background

As detailed in the announcement of the Company on 16 June 2014, the Company has entered into a letter of intent with EUU (**LOI**), whereby the Company may earn a 50% interest in the Slovakian Kuriskova and Novoveska Huta uranium projects of EUU (**Projects**) for a total expenditure of C\$4,000,000 over 10 years, following which EUU and the Company will enter into a joint venture for the further exploration and development of the Projects (**Proposed Transaction**).

The interests will be held through ownership of 50% of EUU's wholly-owned Slovakian subsidiaries, Ludovika Energy and Ludovika Mining. The Ludovika Companies hold the mineral licenses in the Projects.

The LOI replaces a share purchase agreement that was entered into by the Company and EUU (**Share Purchase**

Agreement), as announced by the Company on 9 May 2014.

The Share Purchase Agreement was terminated on 14 June 2014 due to a failure to satisfy one of the conditions, namely that the shareholders of EUU approve the transaction proposed by the Share Purchase Agreement.

The Company has elected to pursue the LOI, by reason of, amongst other things, the synergies between the Company's existing exploration assets and the interests that the Ludovika Companies hold in the Projects.

3.2. Overview of the Projects

EUU has two project areas in the Slovak Republic, namely Kuriskova and Novoveska Huta, of which Kuriskova is the most advanced. The projects are held in two wholly owned subsidiaries of EUU, namely the Ludovika Companies, which are registered in the Slovak Republic.

The Kuriskova project consists of 32 square kilometres of mineral licences situated approximately 10 kilometres northwest of the city of Kosice, a regional industrial centre in East-Central Slovakia. Kuriskova currently has an indicated resource of 2.3Mt @ 5,550ppm U_3O_8 for 28.5Mlbs contained U_3O_8 (500ppmU cut-off) and an inferred resource of 3.1Mt @ 1,850ppm U_3O_8 for 12.7Mlbs contained U_3O_8 (500ppmU cut-off). It also has an indicated resource of 2.3Mt @ 650ppm molybdenum for 2.2Mlbs contained molybdenum associated with uranium resource blocks above 500ppmU cut-off.

The summary results of a preliminary feasibility study prepared for Kuriskova released in January 2012 are as follows:

- (i) IRR 30.8%;
- (ii) 1.9 year payback on CAPEX of \$US 225m;
- (iii) NPV \$US 276m at 8% discount;
- (iv) Base case price \$US 68/lb U_3O_8 ;
- (v) First four year operating costs \$US 16.68/lb U_3O_8 ; and
- (vi) Life of Mine operating costs \$US 22.98/lb U_3O_8 .

The Novoveska Huta uranium deposit is located at the western end of the Carpathian uranium belt, about 50 kilometres northwest of Kuriskova and near the town of Spisska Nova Ves. The deposit consists of a mining licence over one square kilometre and a surrounding 15 square kilometre exploration licence. Novoveska Huta currently has a measured and indicated resource of 1.7Mt @ 1,020ppm U_3O_8 for 3.7Mlbs contained U_3O_8 (600ppmU cut-off) and an inferred resource of 4.7Mt @ 1,230ppm U_3O_8 for 12.7Mlbs contained U_3O_8 (600ppmU cut-off). It also has an inferred resource of 6.1Mt @ 210ppm molybdenum for 2.9 Mlbs contained molybdenum associated with uranium resource blocks above 600ppmU cut-off.

NOTICE OF GENERAL MEETING JULY 2014



European Uranium Slovakian U_3O_8 NI 43-101 mineral resource estimates ***

PROJECT	RESOURCE CATEGORY	M TONNES	PPM U_3O_8	CONTAINED U_3O_8 MLBS
Kuriskova **	Indicated	2.3	5,550	28.5
	Inferred	3.1	1,850	12.7
Novoveska Huta **	Measured	0.8	1,080	2.0
	Indicated	0.8	970	1.7
	Inferred	4.7	1,230	12.7
Total	Measured	0.8	1,080	2.0
	Indicated	3.1	4,352	30.2
	Inferred	7.8	1,477	25.4
	Total	11.7	2,141	57.6

** Kuriskova calculated at 500ppmU cut-off, Novoveska Huta at 600ppmU cut-off

*** These mineral resource estimates are reported in this announcement as "foreign estimates under ASX Listing Rule 5.10

The foreign estimates are not reported in accordance with the JORC Code.

A competent person has not yet undertaken sufficient work to classify the foreign estimates as mineral resources or ore reserves in accordance with the JORC Code.

It is uncertain that, following evaluation and/or further exploration work, it will be possible to report these estimates as mineral resources or ore reserves in accordance with the JORC Code.

ASX Listing Rule 5.12 specifies that additional information must be provided to the market in any announcement containing foreign estimates. The Company has previously provided that information in the accompanying notes to the announcement of 4 April 2014 (**Announcement**). For ease of reference, please see Schedule 4 for details of the Listing Rule 5.12, which accompanied the Announcement.

In addition, in late 2012, EUU signed a memorandum of understanding with the Ministry of Economy of the Slovak Republic that included the following:

- (vii) If the feasibility study and environmental impact assessment are positive, then the Project will be able to advance in conformance with the Slovak Republic's National Energy Strategy.

NOTICE OF GENERAL MEETING JULY 2014



- (viii) The ministry will support reasonable use of domestic energy minerals with the aim to reduce the Slovak Republic's current dependence on imports. The Slovak Republic currently relies on imported Nuclear power for 50% of its domestic power consumption.
- (ix) EUU and the Ministry will endeavor to find a mechanism for collaboration that will allow uranium production from Kuriskova to be developed for the benefit of the Slovak Republic's energy future. This could be a production off-take agreement, a partnership with a Slovak entity or other mutually agreed arrangements.

3.3. Terms of the LOI

The principal terms of the LOI are subject to entering into a definitive agreement on the terms proposed in the LOI by 31 July 2014 (or such other date as the parties agree):

- (i) EUU will transfer 50% of the shares of each of the Ludovika Companies to the Company, the ownership of which will be governed by a shareholder's agreement to be negotiated.
- (ii) To acquire its 50% interest in the Projects, the Company must expend a total of C\$4 million on the following schedule:

NON-REFUNDABLE CASH PAYMENTS TO EUU:	C\$	C\$
No later than 20 June, 2014	\$25,000	
On signing a definitive agreement, but not later than 31 July 2014	\$475,000	
Total cash to EUU		\$500,000
WORK COMMITMENTS:		
Year 1 (firm obligation)	\$350,000	
Year 2 – 10, minimum annual expenditure C\$350,000/year unless higher amounts are required to keep licences in good standing	\$3,150,000	
Total work commitments		\$3,500,000
Total earn-in expenditure commitment		\$4,000,000

- (iii) If the Company fails to make any of the payments and expenditures, listed above, by the required times, it will be required to transfer its shares in the Ludovika Companies back to EUU for nominal consideration.
- (iv) The expenditures can be accelerated by the Company at the Company's election.

If the Company and EUU each sell their 50% interest to a third party then the Company will pay EUU the difference between the C\$4,000,000 and expenditures made to date or pay from the proceeds of such sale.

- (v) Following all payments and expenditures having been made by the Company, EUU and the Company are to create a joint venture owned 50% by EUU and 50% by the Company.
- (vi) The Company can forfeit its 50% interest to EUU with no further obligation any time after it has paid EUU C\$500,000 and funded the first year minimum work commitment of C\$350,000.
- (vii) Prior to the Company completing the earn-in of its 50% interest, exploration and development activities on the Projects will be governed by a management committee of the boards of each of the Ludovika Companies, which is to be set up by the Company and EUU, on which EUU will have the casting vote until the Company has funded the full C\$4,000,000. The Company will be the operator during this period.
- (viii) The Company has the right to terminate the Proposed Transaction at any time without further liability after it has paid EUU the aggregate C\$500,000 payments listed above. However this is subject to EUU having reasonable time to raise sufficient funds and undertake such work as is required by the Projects for the balance of the anniversary year of the definitive agreement that is to be

entered into by the Company and EUU.

3.4. Conditions Precedent

- (i) Completion of the definitive agreement in respect of the Proposed Transaction will be subject to the satisfaction of the following conditions precedent, unless otherwise agreed by EUU and the Company:
 - (i) approval by the Board of the Proposed Transaction agreed terms;
 - (ii) approval by the board of directors of EUU of the Proposed Transaction agreed terms;
 - (iii) all court, securityholder and regulatory approvals (including without limitation, of any stock exchanges or other regulatory authorities) and other approvals that are necessary, proper or advisable to consummate the Transaction, on terms satisfactory to EUU and Forte, acting reasonably, will have been received;
 - (iv) the Transaction will have closed on or before 31 July 2014, or such other date as EUU and the Company may agree; and
 - (v) such other conditions and approvals as are customary in a transaction of this nature.

3.5. Rationale for the Proposed Transaction

The Directors believe that the Company's enlarged market capitalisation and enhanced asset base following the completion of the Proposed Transaction will assist it to execute on strategic growth plans, including potential acquisition opportunities.

3.6. General risk factors and risks relating to the Slovak Republic

The Company is, as previously disclosed to Shareholders, subject to a wide range of risk factors in the conduct of its business. These risk factors are broadly applicable to the business of the Ludovika Companies and upon the completion of the Proposed Transaction, the Company will be subject to additional risk factors in relation to conducting business in the Slovak Republic, including those set out below.

The Slovak Republic is a republic with a representative democracy. The political conditions in the Slovak Republic are generally stable. However, changes may occur in the political, fiscal and legal systems, which may affect the ownership or operations of the Company. Such changes include, but are not limited to, changes in exchange rates, environmental regulations, control or fiscal regulations, regulatory regimes, inflation or economic recession.

3.7. Listing Rule 5.12 Information

The information in this Explanatory Memorandum that relates to the reporting of foreign mineral resource estimates is, as per the Announcement of the Company provided to ASX pursuant to Listing Rule 5.12 and is an accurate representation of the available data and studies for the Kuriskova and Novoveska Huta uranium deposits and is based on information reviewed by Mr Dorian (Dusty) Nicol. Mr Nicol is President and CEO of EUU. Mr Nicol is a Fellow of the AusIMM, a Registered Member of the SME, a Certified Professional Geologist, a Registered Geologist in the state of Wyoming, USA and is a Qualified Person under NI 43-101. Refer to Schedule 4 for details of the Listing Rule 5.12 information, which accompanied the Announcement.

4. CAPITAL RAISING

4.1. Background

The Company is proposing to undertake a capital raising through a placement to overseas investors and sophisticated/professional investors in Australia (being the subject of Resolution 1 and 2). In addition, and to provide an opportunity for other existing Shareholders to participate at the same price, the Company intends to undertake a share purchase plan (being the subject of Resolution 3).

4.2. Placement

The proposed placement shall be for a maximum of 600,000,000 Shares (**Placement Shares**) each at an issue price of not less than 80% of the average market price for Shares calculated over the last five days on which sales in the Shares are recorded before the day on which the issue is made and the issue of up to 300,000,000 warrants (**Placement Warrants**) each at an exercise price of £0.005 (approximately A\$0.0091) (**Placement**). It is proposed that the Placement will not be underwritten.

Refer to Schedule 3 for details of the terms of the Placement Warrants.

4.3. Share Purchase Plan

Under the share purchase plan, Eligible Shareholders will be given the opportunity to subscribe for Shares each at an issue price of not less than 80% of the average market price for Shares calculated over the last five days on which sales in the Shares are recorded before the date the prospectus is signed (**Share Purchase Plan**).

Shareholders whose Shares are listed on AIM (on DIs) will be given the opportunity to participate in the Share Purchase Plan on equivalent terms via applications for DIs.

The maximum number of Shares the Company may issue under the Share Purchase Plan is 200,000,000 being 14.12% of the Shares currently on issue (excluding partly paid Shares). Subject to the aggregate maximum of 200,000,000 Shares, it is proposed that there will be no individual limitation on the number of Shares that a Shareholder may apply for under the Share Purchase Plan but, if required, the Company will scale back applications in such manner as the Directors see fit.

Subject to the passing of Resolution 1 and 2, the Company will write to Shareholders detailing the terms of the Share Purchase Plan following the Meeting.

Listing Rule 7.2 Exception 15 provides that a company can issue securities pursuant to a share purchase plan in accordance with ASIC class order CO 09/425 without using the company's 15% placement capacity or obtaining shareholder approval under Listing Rule 7.1 provided that:

- (i) the number of securities issued is not greater than 30% of the number of fully paid ordinary securities on issue; and
- (ii) the issue price must be at least 80% of the average market price for the securities over the last five days before either:

- (i) the day on which the share purchase plan was announced; or
- (ii) the day on which the securities under the share purchase plan are issued.

Shareholder approval under Listing Rule 7.1 is sought for the issue of the SPP Shares as the Company cannot issue securities pursuant to a share purchase plan in accordance with ASIC class order CO 09/425 because it has been suspended from trading on ASX for more than five days over the past 12 months. The Company will therefore be lodging a prospectus with ASIC to facilitate the implementation of the Share Purchase Plan.

Shareholder approval for a share purchase plan was previously obtained by the Company on 31 October 2013. The Company did not proceed with this share purchase plan as it became concerned that implementation at that time may have adversely affected corporate negotiations. Accordingly, Shareholder approval is being sought for a replacement Share Purchase Plan.

Resolution 3 seeks Shareholder approval for the issue of SPP Shares on the terms set out above.

4.4. Rationale for the Share Purchase Plan and Placement

The Directors believe that the proposed capital raising via the Placement and Share Purchase Plan offer the most expedient options to the Company to raise the necessary working capital to meet its obligations.

5. GRIT PLACEMENT AND DARWIN LOAN INSTRUMENT AND WARRANT DEED

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5.1. GRIT Placement

The Company announced on 10 March 2014 that it had entered into a share exchange agreement with Global Resources Investment Trust plc (**GRIT**), a company listed on the London Stock Exchange. Under the agreement the Company issued 170,000,000 Shares to GRIT at 0.4 pence (£0.004) each (**GRIT Placement**) in return for 680,000 shares in GRIT at a price of £1 each (**GRIT Shares**).

According to GRIT's prospectus submitted to the London Stock Exchange on 28 February 2014 GRIT's investment objective is to generate medium and long-term capital growth through investing in a diverse portfolio of primarily small and mid-capitalisation natural resource and mining companies, which are listed on particular exchanges.

The Board believe that the transaction with GRIT, a new company recently admitted to the main market of the London Stock Exchange, founded by a group of fund managers to focus on investing in the junior mining sector provides the Company with an important new strategic investor.

5.2. Darwin Loan Instrument

The Company announced on 30 April 2014 that it had entered into a short-term loan agreement whereby the Lender had advanced £350,000 to the Company in return for the issue of a loan note of an initial principal value of £437,500, repayable by 10 July 2014, subject to the terms of the Loan Instrument (**Loan Note**). The loan funds are to be utilised by way of working capital by the Company prior to the Company being able to monetise its GRIT Shares which are subject to a 6 month orderly market restriction.

The terms of the Loan Note are summarised in Schedule 5

5.3. Darwin Warrant Deed

Subject to obtaining shareholder approval pursuant to resolution 6, the Company will issue 164,062,500 Loan Note Warrants to the Lender on the terms of the Warrant Deed summarised in Schedule 2.

5.4. Rationale of the Loan Instrument and the Warrant Deed

The Directors believe that the Loan Note Conversion Rights and the issue of the Loan Note Warrants are necessary terms of the short term financing to ensure the Company has sufficient working capital to meet its obligations.

6. RESOLUTION 1 – APPROVAL TO ISSUE PLACEMENT SHARES

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6.1. General

Resolution 1 seeks Shareholder approval for the issue of the Placement Shares.

Resolution 1 is an ordinary resolution.

6.2. Listing Rule 7.1

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Directors to issue the Placement Shares within the period of 3 months after the Meeting (or such longer period of time as ASX may in its discretion allow), without using the Company's 15% annual placement capacity.

6.3. Specific information required by Listing Rule 7.3

In accordance with Listing Rule 7.3, information is provided in relation to the Placement as follows:

- (i) The maximum number of Shares to be issued is 600,000,000 (being the Placement Shares).
- (ii) The Placement Shares will be issued no later than 3 months after the date of the Meeting (or such longer period

of time as ASX may in its discretion allow).

- (iii) The issue price of the Placement Shares will be not less than 80% of the average market price for Shares calculated over the last five days on which sales in the Shares are recorded before the day on which the issue is made.
- (iv) The Directors will determine the persons to whom the Placement Shares will be issued but these persons will not be a related party or an associate of a related party of the Company and will be overseas investors or sophisticated or professional investors resident in Australia.
- (v) The Placement Shares will be fully paid ordinary shares in the capital of the Company and will be issued on the same terms and conditions as existing Shares.
- (vi) The Company intends to utilise in part the funds raised from the issue of the Placement Shares to satisfy the Company's obligation under the Proposed Transaction, and to use the remainder of the proceeds for working capital requirements.
- (vii) The issue of the Placement Shares will occur progressively.
- (viii) A voting exclusion statement is included in the Notice for Resolution 1.

6.4. Directors' recommendation

The Directors consider that the Proposed Transaction and the Placement are in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 1.

7. RESOLUTION 2 – APPROVAL TO ISSUE PLACEMENT WARRANTS

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7.1. General

Resolution 2 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue 300,000,000 Placement Warrants with an exercise price of £0.005 (approximately A\$0.0091c) each and expiry date of 2 years from the date of issue.

Resolution 2 is an ordinary resolution.

7.2. Listing Rule 7.1

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 2 will be to allow the Directors to issue the Placement Warrants within the period of 3 months after the Meeting (or such longer period of time as ASX may in its discretion allow), without using the Company's 15% annual placement capacity.

7.3. Specific information required by Listing Rule 7.3

In accordance with Listing Rule 7.3, information is provided in relation to the Placement as follows:

- (i) The maximum number of Placement Warrants to be issued is 300,000,000.
- (ii) The Placement Warrants will be issued no later than 3 months after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- (iii) The Placement Warrants will be issued to the investors who subscribe for Shares under the Placement. The Directors will determine the persons to whom Shares under the Placement will be issued but these persons will not be a related party or an associate of a related party of the Company and will be overseas investors or sophisticated or professional investors resident in Australia.
- (iv) The Placement Warrants will be allotted at nil consideration.
- (v) The exercise price of the Placement Warrants will be £0.005 (approximately A\$0.0091) each.
- (vi) Each Placement Warrant entitles the holder to subscribe for one Share at an exercise price of £0.005 (approximately A\$0.0091) and has an expiry date that is 2 years from the date of issue. Upon exercise of the Placement Warrants, the Shares issued will rank pari passu with the Company's existing Shares on issue.

- (vii) The Company intends to utilise any funds raised from the issue of the Placement Warrants for working capital requirements.
- (viii) The issue of the Placement Warrants will occur progressively.
- (ix) A voting exclusion statement is included in the Notice for Resolution 2.

7.4. Directors' recommendation

The Directors consider that the Proposed Transaction and the Placement are in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 2.

8. RESOLUTION 3 – APPROVAL TO ISSUE SPP SHARES
.....

8.1. General

Resolution 3 seeks Shareholder approval for the issue of the SPP Shares.

Resolution 3 is an ordinary resolution.

8.2. Listing Rule 7.1

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 3 will be to allow the Directors to issue the SPP Shares to Eligible Shareholders during the period of 3 months after the Meeting (or such longer period of time as ASX may in its discretion allow), without using the Company's 15% annual placement capacity.

8.3. Specific information required by Listing Rule 7.3

In accordance with Listing Rule 7.3, information is provided in relation to the Share Purchase Plan as follows:

- (i) The maximum number of Shares to be issued is 200,000,000.
- (ii) The SPP Shares will be issued no later than 3 months after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- (iii) The SPP Shares will be issued each at a price of not less than 80% of the average market price for Shares calculated over the last five days on which sales in the Shares are recorded before the date the prospectus is signed.
- (iv) The SPP Shares will be issued to those Eligible Shareholders who participate in the Share Purchase Plan.

- (v) The SPP Shares will be fully paid ordinary shares in the capital of the Company and will be issued on the same terms and conditions as the Company's existing Shares.
- (vi) The Company intends to utilise the funds raised from the Share Purchase Plan as working capital.
- (vii) The issue of the SPP Shares will occur progressively.
- (viii) A voting exclusion statement is included in the Notice for Resolution 3.

8.4. Directors' recommendation

The Directors consider that the Share Purchase Plan is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 3.

9. RESOLUTION 4 – RATIFICATION OF GRIT PLACEMENT

.....

9.1. General

In accordance with Listing Rule 7.1, the Company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities which were issued other than in breach of Listing Rule 7.1, those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1.

The effect of passing Resolution 4 will be to allow the Company to disregard the Shares issued under the GRIT Placement when calculating the number of equity securities which the Company may issue pursuant to its 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 4 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 4.

9.2. Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the GRIT Placement as follows:

- (a) 170,000,000 Shares were issued to GRIT on 10 March 2014.
- (b) The Shares were issued at a price of 0.4 pence (£0.004) each in return for 680,000 shares in GRIT at a price of £1 each.
- (c) The Shares under the GRIT Placement are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares in issue.
- (d) No funds were raised by the Company from the issue of the Shares as they were issued for non-cash consideration in the form of shares in GRIT. The Company plans to use any proceeds from future disposals of the GRIT shares for working capital purposes.
- (e) A voting exclusion statement is included in the Notice for Resolution 4.

9.3. Director recommendation

The Directors consider that ratification of the issue of the GRIT Placement for the purposes of Listing Rule 7.4 is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 4.

10. RESOLUTION 5 – RATIFICATION OF LOAN NOTE ISSUE

.....

10.1. General

In accordance with Listing Rule 7.1, the Company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides that where a company in general meeting may ratifies the previous issue of securities which were issued other than in breach of Listing Rule 7.1, those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1.

The effect of passing Resolution 5 will be to allow the Company to disregard the Loan Notes when calculating the number of equity securities which the Company may issue pursuant to its 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 5 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 5.

10.2. Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the Loan Note as follows:

- (i) One Loan Note is issued with an initial face value of £437,500.
- (ii) The Loan Note is issued at an effective issue price of £350,000.
- (iii) The terms of the Loan Notes are summarised in Schedule 5.
- (iv) The Company has utilised and will utilise the balance of the funds raised from the issue of the Loan Note for working capital purposes.
- (v) A voting exclusion statement is included in the Notice for Resolution 5.

10.3. Directors' recommendation

The Directors consider that ratification of the issue of the Loan Note for the purposes of Listing Rule 7.4 which will give effect to the conversion rights summarised in Schedule 5 is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 5.

11. RESOLUTION 6 – APPROVAL OF LOAN NOTE WARRANTS

.....

11.1. General

Resolution 6 seeks Shareholder approval for the Loan Note Warrants. A summary of the Loan Note Warrants is set out in Schedule 2.

None of the subscribers under the Loan Note Warrants will be a related party or an associate of a related party of the Company

Resolution 6 is an ordinary resolution.

11.2. Listing Rule 7.1

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 6 will be to allow the Directors to issue the Loan Note Warrants during the period of 3 months after the Meeting (or such longer period of time as ASX may in its discretion allow), without using the Company's 15% annual placement capacity.

11.3. Specific information required by Listing Rule 7.3

In accordance with Listing Rule 7.3, information is provided in relation to the Loan Note Warrants as follows:

- (i) The maximum number of Loan Note Warrants to be issued is 164,062,500.

- (ii) The Loan Note Warrants will be issued in accordance with the terms outlined in Schedule 2 no later than 3 months after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- (iii) The issue price of the Loan Note Warrants will be nil.
- (iv) The Loan Note Warrants will be issued to the Lender.
- (v) Upon exercise of the Loan Note Warrants, the Shares will be fully paid ordinary shares in the capital of the Company and will be issued on the same terms and conditions as the Company's existing Shares.
- (vi) The Company intends to utilise the funds raised from the issue of the exercise of the Loan Note Warrants as working capital.
- (vii) A voting exclusion statement is included in the Notice for Resolution 7.

11.4. Directors' recommendation

The Directors consider that approval of the Loan Note Warrants is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 7.

Schedule 1 – Definitions

In the Notice and this Explanatory Memorandum:

£ and **pence** mean the lawful currency of the United Kingdom.

A\$ means Australian Dollars.

Adjustment Event means any or all of the following, at any time, or by reference to any record date, while the Loan Note remains in issue:

- (a) any issue of securities by the Company by way of capitalisation of profits or reserves;
or
- (b) any sub-division or consolidation of securities by the Company.

AIM means the AIM market of the London Stock Exchange Plc.

Announcement has the meaning provided in Section 3.2.

ASIC means the Australian Securities and Investment Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

AWST means Australian Western Standard Time, being the time in Perth, Western Australia.

Board means the board of Directors from time to time.

Business Day means any day of the year, other than a Saturday, Sunday or any day on which Canadian chartered banks are generally closed for business in Vancouver, British Columbia or that is a public holiday in Perth, Western Australia.

C\$ means Canadian Dollars.

Chair or **Chairman** means the person appointed to chair the Meeting.

Company means Forte Energy NL ACN 009 087 852.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

DI has the meaning given in Section 2.2.

Eligible Shareholders means a person registered as the holder of Shares on the Record Date whose registered address is in Australia, New Zealand or the United Kingdom and are not resident or located in the United States or any jurisdiction in or into which an offer of Shares would be unlawful.

EUU means European Uranium Resources Ltd. EUU is listed on the Ventures Exchange of the Toronto Stock Exchange (as well as on the OTCQX and Frankfurt exchanges).

Explanatory Memorandum means this explanatory memorandum.

Forte and Company means Forte Energy NL ACN 009 087 852.

GRIT means Global Resources Investment Trust plc, a company listed on the London Stock Exchange.

GRIT Placement means the placement to GRIT described in Section 5.1.

GRIT Shares means the placement to GRIT described in Section 5.1.

IRR means internal rate of return.

JORC Code means the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves

Lender means the holder of the Loan Note, currently Darwin Strategic Limited.

Listing Rules means the official listing rules of ASX, as may be amended from time to time.

Loan Instrument means the Senior Loan Note Instrument between the Company and the Lender of April 2014.

Loan Note has the meaning given in Section 5.2.

Loan Note Conversion Rights means in the event that the loan advanced to the Company by the Lender pursuant to the Loan Instrument is not repaid by 10 July 2014 and the Lender so elects, the conversion of all or part of the loan under the Loan Instrument into Shares of the Company at the lower of 0.4 pence (£0.004) per share or 80% of an average market price calculated during the twenty days prior to the conversion to the Lender in accordance with the Loan Instrument.

Loan Note Warrants means the issue of up to 164,062,500 warrants to the Lender in accordance with Warrant Deed.

LOI has the meaning given in Section 3.1.

Ludovika Companies mean Ludovika Energy and Ludovika Mining.

Ludovika Energy means Ludovika Energy SRO, a company incorporated in the Slovak Republic, having company registration number 36635880.

Ludovika Mining means Ludovika Mining SRO, a company incorporated in the Slovak Republic, having company registration number 47234474.

NOTICE OF GENERAL MEETING JULY 2014



Meeting has the meaning in the introductory paragraph of the Notice.

Notice means the notice of general meeting in respect of the Meeting which this Explanatory Memorandum accompanies.

NPV means net present value.

PFS has the meaning given in Schedule 4.

Placement has the meaning given Section 4.1.

Placement Shares has the meaning given in Resolution 1.

Placement Warrants has the meaning given in Section 4.2.

Projects has the meaning given in Section 3.1.

Proposed Transaction has the meaning given in Section 3.1.

Proxy Form means the proxy form attached to the Notice.

Record Date means the record date for the Share Purchase Plan

Resolution means a resolution contained in the Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Share Purchase Agreement has the meaning given in Section 3.1

Share Purchase Plan has the meaning given in Section 4.1

Shareholder means a shareholder of the Company.

SPP Shares has the meaning given in Resolution 3.

Warrant Deed means the Warrant Deed relating to ordinary shares in the Company, between the Company and the Lender of April 2014.

Warrant Period has the meaning given in Schedule 2.

In the Notice and this Explanatory Memorandum words importing the singular include the plural and vice versa.

Schedule 2– Terms of the Warrant Deed

(a) Conditions precedent

The Loan Note Warrants are subject to the satisfaction of the following:

- (i) The Loan Note being issued to the Lender; and
- (ii) the Shareholders of the Company passing all resolutions as are required under Rule 7.1 of the Listing Rules to give effect to the Loan Note Warrants.

(b) Key terms

The following are the key terms to the Warrant Deed:

- (i) The Loan Note Warrants are subject to a five year and seven day expiry (**Warrant Period**) and an exercise price of 0.4 pence (£0.004) per Share to the Lender in accordance with Warrant Deed.
- (ii) Subject to the Warrant Deed, the Loan Note Warrants can be exercised at any time during the Warrant Period.
- (iii) Five business days' notice must be provided to the Company prior to exercising the Loan Note Warrants.
- (iv) On exercise of the Loan Note Warrants (which may be in whole or in part), the Company is bound to issue and allot the Shares to the Lender.
- (v) On the business day that any Loan Note Warrants are issued pursuant to the Warrant Deed, the Company is obliged to apply to the London Stock Exchange for those Loan Note Warrants to be admitted to trading on AIM and must use all reasonable endeavours to obtain the admission to trading on AIM of such Loan Note

Warrants as soon as possible.

- (vi) For so long as the Loan Note Warrants remain exercisable, the Company must keep available for issue, free from pre-emptive rights, sufficient share capital to satisfy in full such portion of the Loan Note Warrants as remains exercisable and the Company will at all times be duly authorised to issue Loan Note Warrants without any pre-emptive rights applying and will have all Shareholder approval required in order to discharge its obligations under the Warrant Deed.
- (vii) If at any time during the Warrant Period an offer is made to all holders of the equity share capital to acquire the whole or any part of such equity share capital, the Company, unless prohibited by law, must give at least two business days written notice to the Lender of such offer and must procure that the Lender is given a reasonable opportunity to exercise the Loan Note Warrants before any such offer is accepted.
- (viii) If at any time during the course of the Warrant Deed notice is given of a proposed resolution for the voluntary winding up of the Company, the Lender may exercise its rights under the Warrant Deed during the period of such notice but not later than 24 hours before the general meeting is convened.
- (ix) Adjustments can be made to the price of the Loan Note Warrants for certain prescribed customary events in accordance with the Warrant Deed.

Schedule 3 – Terms and conditions of Placement Warrants

1. Entitlement

Each Placement Warrant entitles the holder (**Holder**) to subscribe for one ordinary share (**Share**) in the Company upon exercise.

2. Exercise Price and Expiry Date

- a) The exercise price of each Placement Warrant is £0.005 (approximately A\$0.0091) (**Exercise Price**).
- b) The expiry date of each Placement Warrant is the second anniversary of issue (**Expiry Date**).

3. Exercise Period

The Placement Warrants are exercisable at any time after the date of grant of the Placement Warrants and before 5.00pm (Perth time) on the Expiry Date (**Exercise Period**). Placement Warrants not exercised by the end of the Exercise Period will automatically lapse.

4. Notice of Exercise

The Placement Warrants may be exercised during the Exercise Period by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Placement Warrant being exercised. Any Notice of Exercise of a Placement Warrant received by the Company will be deemed to be a notice of the exercise of that Placement Warrant as at the date of receipt.

Placement Warrants may only be exercised in tranches of 1,000,000 Placement Warrants or more.

5. Shares issued on exercise

Shares issued on exercise of the Placement Warrants will rank equally with the then shares of the Company.

6. Quotation of Shares on exercise

Subject to the Company being admitted to the official list of the ASX at the time of issue of the Shares on exercise of the Placement Warrants, application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Placement Warrants.

7. Timing of issue of Shares and quotation of Shares on exercise

Within 15 Business Days after the later of the following:

- a) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Placement Warrant being exercised; and
- b) the earlier to occur of:
 - (i) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information; or
 - (ii) the Holder elects that the Shares to be issued pursuant to the exercise of the Placement Warrants will be subject to a holding lock for a period of 12 months,

the Company will:

- c) allot and issue the Shares pursuant to the exercise of the Placement Warrants;
- d) in the circumstances where clause 7(b)(i) applies, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or lodge a prospectus with ASIC that qualifies the Shares issued upon exercise of the Placement Warrants for resale under section 708A(11) of the Corporations Act;
- e) in the circumstances where clause 7(b)(ii) applies, apply a holding lock in accordance with clause 8 in respect of the Shares issued upon exercise of the Placement Warrants; and
- f) subject to the Company being admitted to the official list of the ASX at the time of issue of the Shares on exercise of the Placement Warrants, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Placement Warrants.

8. Holding lock

- a) The Holder may make an election pursuant to clause 7(b)(ii) at any time following delivery of a Notice of Exercise and payment of the Exercise Price for each Placement Warrant being exercised.
- b) If the Holder makes an election pursuant to clause 7(b)(ii), then:
 - (i) the Shares to be issued will be held by the Holder on the Company's issuer sponsored sub-register (and not in a CHESS sponsored holding);¹
 - (ii) the Company will apply a holding lock on the Shares to be issued and the Holder is taken to have agreed to that application of that holding lock;

¹ This is to avoid the need to enter into tripartite arrangements with the CHESS sponsor if the Shares will be held in a CHESS sponsored account.

(iii) the Company shall release the holding lock on the Shares on the earlier to occur of:

- A. the date that is 12 months from the date of issue of the Shares; or
- B. the date the Company issues a disclosure document that qualifies the Shares for trading in accordance with section 708A(11); or
- C. the date a transfer of the Shares occurs pursuant to clause 8(b)(iv); and

(iv) the Shares shall be transferable by the Holder and the holding lock will be lifted provided that the transfer of the Shares complies with section 707(3) of the Corporations Act and the transferee of the Shares agrees by way of a deed poll in favour of the Company to the holding lock applying to the Shares following their transfer for the balance of the period in clause 8(b)(iii).

9. Participation in new issues

There are no participation rights or entitlements inherent in the Placement Warrants and Holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Placement Warrants. For the avoidance of doubt, this does not restrict any entitlement Holders may have from their existing shareholdings in the Company.

10. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- a) the number of Shares which must be issued on the exercise of a Placement Warrant will be increased by the number of Shares which the Holder would have received if the Holder had exercised the Placement Warrant before the record date for the bonus issue; and
- b) no change will be made to the Exercise Price.

11. Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than a bonus issue or an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of the Placement Warrants will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E[P-(S+D)]}{N+1}$$

O= the old Exercise Price of the Placement Warrant.

E= the number of underlying Shares into which one Placement Warrant is exercisable.

P= average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S= the subscription price of a Share under the pro rata issue.

D= the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N= the number of Shares with rights or entitlements that must be held to receive a right to one new share.

12. Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Holders may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.

13. Quotation of Placement Warrants

No application for quotation of the Placement Warrants will be made by the Company.

14. Placement Warrants transferable

Placement Warrants are only transferable provided that the transfer complies with section 707(3) of the Corporations Act. For the avoidance of doubt and without limiting the Company's obligations under clause 7, the Company is under no obligation to issue, or assist prepare, a disclosure document for the purpose of ensuring a transfer of Placement Warrants complies with section 707(3).

Schedule 4 – Listing Rule 5.12 Information

Accompanying Notes to Foreign Mineral Resource Estimates

1. ASX Listing Rule 5.12.1 – Provide the source and date of the foreign estimates.

The foreign mineral resource estimates detailed below are based on official geological reports completed for EUU 2011 and 2012.

KURISKOVA

Preliminary Feasibility Study (**PFS**) for the Kuriskova Project, Eastern Slovakia prepared for EUU by Dr. Rex Bryan, Ph.D. and Dr. Richard W. Jolk, P.E. of Tetra Tech, Inc. The report titled "NI 43-101 Technical Report, Kuriskova Uranium Project" is dated effective March 13, 2012.

NOVOVESKA HUTA

"Technical Report Mineral Resource Novoveska Huta Uranium Project east-Central Slovakia" is dated effective October 17, 2011. The resource estimate was prepared by Ravi Sharma, Tournigan's Manager of Resources and Reserves, and has been reviewed, audited and approved by Tetra Tech, Inc. The technical report was completed by Dr. Rex Bryan, Ph.D. and Dr. Richard Jolk, PE Ph.D. of Tetra Tech MM, Inc.'s.

2. Listing Rule 5.12.2 – if the foreign estimates use categories of mineralisation other than those defined in Appendix 5A (JORC Code) provide an explanation of the differences.

The system of classification of mineral resources in Canada, NI 43-101, uses similar categories of mineralisation to those in the JORC Code.

3. Listing Rule 5.12.3 – Provide the relevance and materiality of the foreign estimates to the entity.

The addition of the cumulative mineral resources subject to the foreign estimates outlined in this document will result in an increase in the Company's total uranium resource base of 128% which the Company considers material and requiring disclosure. The average resource grades are also substantially higher than those of the Company's existing resource base. Also the Kuriskova project is further advanced than the Company's existing projects as a PFS has been prepared for it.

4. Listing Rule 5.12.4 – Detail the reliability of the foreign estimates, including by reference to any of the criteria in Table 1 of Appendix 5A (JORC Code) which are relevant to understanding the reliability of the foreign estimates.

The foreign estimates were prepared in accordance with Canadian National Instrument 43-101. The resource estimates are less than 5 years old and the geological practices and criteria used to calculate 43-101 resources are similar to those used to calculate JORC resources. Therefore the quality and accuracy of the foreign resources are expected to be high.

The foreign estimates were prepared by qualified persons who are well known within the uranium industry worldwide. There are no significant differences between the criteria listed in Table 1 of Appendix 5A (JORC Code) and those that were used in the preparation of the foreign estimates.

5. ASX Listing Rule 5.12.5 – To the extent known provide a summary of the work programs on which the foreign estimates are based and a summary of the key assumptions, mining and processing parameters, and methods used to prepare the foreign estimates.

KURISKOVA

- a) The deposit was discovered in the 1980's by the (then) Czechoslovakian State uranium mining authority. During this time, 53 diamond holes were drilled totalling approximately 17,000m.
- b) EUU (and its predecessor company Tournigan Energy Ltd.) during the years 2005 – 2011 drilled an additional 125 diamond holes in the property totalling about 41,670 m.
- c) Using data from 13 (out of 53) of the historic drill holes, a 43-101 compliant resource, estimate was prepared in 2008, which was then updated with additional drill data in 2011.
- d) A 43-101 compliant Prefeasibility Study was prepared in 2012. The 2011 resource estimate was used as the basis from which an underground reserve was estimated using mining, metallurgical and capital cost factors. In compliance with 43-101 standards, the Inferred portion of the resource was excluded from the reserve estimate.

NOVOVESKA HUTA

- a) The deposit was discovered in 1952 by the (then) Czechoslovakian State uranium mining authority.
- b) During the 1950's, various surface exploration programmes were conducted, several audits were excavated and two shafts were sunk with some development drifting. Some 300 tonnes of mineralized material were extracted for metallurgical testing.
- c) During the 1970's and 1980's, there were several campaigns of surface and

underground drilling. In 1989, exploration activity at Novoveska Huta was stopped and the underground workings were allowed to flood.

- d) EUU's predecessor company Tournigan Energy Ltd. conducted surface diamond drilling on the deposit from 2006 to 2011. During this time, 17 diamond holes totalling 8897 m were drilled. These comprise 7 twin holes drilled to verify historical drill holes, 2 twin holes designed to verify data from the historic shaft, 2 exploration holes drilled into the western block and 6 stepout holes (of which 5 were completed) that were drilled to explore and extend the deposit to the east.
- e) A 43-101 compliant resource estimate was prepared in 2011.

6. Listing Rule 5.12.6 – Are there any more recent estimates or data relevant to the reported mineralisation available to the entity.

The Company is not aware of any more recent estimates or data relevant to the reported mineralisation for either of the Slovakian uranium projects.

7. Listing Rule 5.12.7 – Detail the evaluation and/or exploration work that needs to be completed to verify the foreign estimates as mineral resources or ore reserves in accordance with Appendix 5A (JORC Code).

The Company intends to undertake a comprehensive review of existing data and reports in relation to the foreign estimates of mineral resources and the PFS prepared for Kuriskova. Based on the results of the review, the Company will determine whether any further ground exploration activities, metallurgical testing or mining studies are required to verify the existing mineral resources. The Company will then carry out the identified further activities and, if required, recalculate the mineral resources in accordance with JORC Code.

8. Listing Rule 5.12.8 – Explain the proposed timing of any evaluation and/or exploration work the entity intends to undertake and how the entity intends to undertake that work.

The data review will commence following completion of the acquisition of the Slovakian uranium assets from European Uranium. It is anticipated that the mineral resources will be JORC Compliant by June 2015.

Schedule 5 – Terms of the Loan Note

a) The following are the key terms of the Loan Note

- (i) The Company is obliged to issue the Loan Note to the Lender in the amount of £437,500 (**Principal Amount**) as consideration for the advance by the Lender to the Company of £350,000;
- (ii) Subject to earlier repayment in accordance with the below, the Loan Note is repayable on the maturity date being 10 July 2014 subject to the such date being extended to 9 January 2016 in the event repayment is not made on 10 July 2014;
- (iii) The Loan Note is subject to early repayment in the following circumstances:
 - (a) immediately upon demand from the Lender following a change of control or various customary events of default, in such circumstances the amount due to the Lender is 120% of the then Principal Amount; and
 - (b) in the event the Company raises any proceeds from equity financing or by way of sale of the GRIT shares (see section 5.1) the Company shall immediately use such proceeds to repay the Loan Note;
- (iv) In the event the maturity date is extended as per the above, the Principal Amount of the Loan Note shall increase to £481,250.
- (v) No interest is payable on the Principal Amount subject to default interest being due in the event of a valid conversion election from the Lender and the failure by the Company to comply as the per the below.
- (vi) All payments made to the Lender by the Company are to be made in full and without any deductions for any taxation obligations, save as required by law.

b) The Loan Note is convertible, subject to prior shareholder approval of the conversion provisions pursuant to resolution 5, at the election of the Lender any time following 10 July 2014 to 9 January 2016 (Conversion Period), subject to the following:

- (i) the Lender is entitled to convert all or any portion of the outstanding Loan Note into Shares of the Company;
- (ii) the conversion rate is at the lower of 0.4 pence per share or 80% of an average market price calculated during the twenty days prior to the conversion (subject to an Adjustment Event) (**Conversion Price**);

NOTICE OF GENERAL MEETING JULY 2014



- (iii) if the Company fails to issue the Shares in accordance with the Loan Instrument, a default interest at the rate of 1% per month of the Loan Note (as outstanding at the date of the conversion) is payable to the Lender until such time that the Company complies therewith;
- (iv) the number of Shares issuable upon conversion of all or any portion of the Principal Amount of the Loan Note shall be determined in accordance with the following formula:

$$\frac{\text{Principal Amount being converted}}{\text{Conversion Price}}$$

- (v) The Company shall pay any and all duties and taxes including any and all stamp duty, stamp duty reserve tax, documentary, registration or other similar taxes that may be payable with respect to the issuance if the Shares upon conversion of the Loan Note.
- c) The Loan Note contains customary warranties, representations and undertakings for security of this nature.**

PROXY FORM



The Company Secretary
Forte Energy NL

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By post:

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By facsimile:

+618 9322 4073

Name of Shareholder:

Address of Shareholder:

Number of Shares entitled to vote:

PLEASE MARK ☒ TO INDICATE YOUR DIRECTIONS. FURTHER INSTRUCTIONS ARE PROVIDED OVERLEAF

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

STEP 1 – APPOINT A PROXY TO VOTE ON YOUR BEHALF

The Chairman
of the Meeting
(mark box)

☐

OR if you are **NOT** appointing the
Chairman as your proxy, please write the
name of the person or body corporate
(excluding the registered shareholder) you
are appointing as your proxy

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit), at the Meeting to be held at 10:00am (AWST) on Wednesday, 30 July 2014, at Level 1, 330 Churchill Avenue, Subiaco, Western Australia and at any adjournment or postponement of that Meeting.

[Important for Resolution [1 to 6] (inclusive): The Chair of the meeting intends to vote undirected proxies in favour of the Resolutions [1 to 6] (inclusive).

If the Chair of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of Resolutions [1 to 6] (inclusive), please place a mark in the box.

☐

By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he has an interest in the outcome of the Resolutions [1 to 6] (inclusive) and that votes cast by the Chair of the meeting for those Resolutions other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the Resolutions [1 to 6] (inclusive) and your votes will not be counted in calculating the required majority if a poll is called on the resolution.]

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours prior to the time of commencement of the Meeting.

Please read the voting instructions overleaf before marking any boxes with

STEP 2 – INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

		For	Against	Abstain*
Resolution 1	Approval to issue Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval to issue Placement Warrants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval to issue SPP Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of GRIT Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Loan Note Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of Loan Note Warrants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each Resolution.

Authorised signature/s

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

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹Insert name and address of Shareholder

²Insert name and address of proxy

^{*}Omit if not applicable

PROXY NOTES:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast two or more votes at the Meeting the Shareholder may appoint not more than two proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

To direct your proxy how to vote on the Resolutions mark the appropriate box with an 'X'. To abstain from voting on a Resolution, select the relevant 'Abstain' box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

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

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate 'Certificate of Appointment of Representative' should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the office of the Company at Suite 3, Level 3, 1292 Hay Street, West Perth WA 6005, or by post to GPO Box 2870, West Perth WA 6872, or facsimile (08) 9322 4073 if faxed from within Australia or +61 8 9322 4073 if faxed from outside Australia), not less than 48 hours prior to the time of commencement of the Meeting.