



World Oil Resources Ltd

Notice of Annual General Meeting and Explanatory Statement

The Annual General Meeting of

WORLD OIL RESOURCES LIMITED

ACN 000 752 849

*Will be held at
12.00pm (AEDT) on 27 November 2014*

At

*the offices of Grant Thornton
The Rialto, Level 30
525 Collins Street, Melbourne, Vic 3000*

This Notice of Annual General Meeting and Explanatory Statement 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 advisor without delay

WORLD OIL RESOURCES LIMITED

A.C.N. 000 752 849

Registered office: Level 4, 100 Albert Road, South Melbourne, Victoria 3205

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of World Oil Resources Limited ("World Oil" or the "Company") will be held at will be held at 12.00pm (AEDT) on 27 November 2014 at the offices of Grant Thornton, The Rialto, Level 30, 525 Collins Street, Melbourne, Victoria, 3000.

IMPORTANT DATES

Latest time and date for lodgement of completed proxy form for the Meeting	12.00pm (Melbourne time) on 25 November 2014
Time and date for determining eligibility to vote at the Meeting	7.00pm (Melbourne time) on 25 November 2014
Time and date of the Meeting	12.00pm (Melbourne time) on 27 November 2014

IMPORTANT NOTICES

General

This Notice of Meeting and Explanatory Statement is dated 20 October 2014.

This document is important. The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Meeting. You should read it in its entirety before making a decision on how to vote on the Resolutions to be considered at the Meeting.

A proxy form for the Meeting is enclosed.

If you are in doubt as to what you should do, you should consult your legal, investment or other professional adviser.

Defined terms

Capitalised terms in the Notice of Meeting and Explanatory Statement are defined either in the Glossary in the Explanatory Statement or where the relevant term is first used.

Responsibility

The Notice of Meeting and Explanatory Statement have been prepared by the Company under the direction and oversight of its Directors.

The Company does not accept responsibility for any errors, omissions or misstatements in the Explanatory Statement that are attributable to errors, omissions or misstatements in publicly available information or third party sources or otherwise. The Company does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

ASIC and ASX

Neither ASIC, ASX nor any of their respective officers takes any responsibility for the contents of this document.

Forward looking statements

Some of the statements appearing in this document may be in the nature of forward looking statements.

Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and such deviations are both normal and to be expected.

None of the Company, any of its officers or any person named in this document or involved in the preparation of this document make any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfillment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, and you are cautioned not to place undue reliance on those statements.

The forward looking statements in this document reflect views held only as at the date of this document. The Company has no obligation to disseminate after the date of this document any updates or revisions to any such statements to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any of those statements are based unless it is required so under the Corporations Act to update or correct this document or pursuant to its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act.

No financial product advice

This document is not financial product or investment advice nor is it a recommendation in respect of the Shares. It has been prepared without taking into account the objectives, financial situation or needs of Shareholders or other persons. Before deciding how to vote or act, Shareholders and other persons should consider the appropriateness of the information having regard to their own objectives, financial situation and needs, and seek legal, taxation, financial and other advice appropriate to their jurisdiction and circumstances. The Company is not licensed to provide financial product advice in respect of the Shares.

No other material information

Except as set out in this Explanatory Statement, in the opinion of the Directors, there is no other information material to the making of a decision on how to vote in relation to the Resolutions, being information that is within the knowledge of any Director or of any related body corporate of the Company which has not been previously disclosed to Shareholders.

The Company will issue a supplementary document to the Explanatory Statement if it becomes aware of any of the following between the date this Explanatory Statement is lodged with ASIC and provided to ASX and the date the meeting is held:

- (a) a material statement in the Explanatory Statement is false or misleading in a material aspect;
- (b) a material omission from the Explanatory Statement;
- (c) a significant change affecting a matter included in the Explanatory Statement; or
- (d) a significant new matter has arisen and it would have been required to be included in the Explanatory Statement if it had arisen before the date the Explanatory Statement is lodged with ASIC and provided to ASX.

Depending on the nature and timing of the changed circumstances and subject to obtaining any relevant approvals, the Company may circulate and publish any supplementary document by:

- (a) making an announcement to ASX;
- (b) placing an advertisement in daily newspapers (as defined in the Corporations Act) ordinarily published in Australia;
- (c) posting the supplementary document to Shareholders at their registered address as shown on the Company's register of Shareholders; or
- (d) posting a statement on the Company's corporate website,

as the Company in its sole and absolute discretion considers appropriate.

Notice is hereby given that the Annual General Meeting of Shareholders will be held at Grant Thornton, The Rialto, Level 30, 525 Collins Street, Melbourne, Victoria, 3000 at 12.00pm (AEDT) on 27 November 2014.

The business to be considered at the Meeting is set out below. Information on the Resolutions to which the business relates is contained in the Explanatory Statement. The details of the Resolutions contained in the Explanatory Memorandum should be read together with, and form part of, this Notice of Meeting.

Please read this Notice of Meeting carefully. Shareholders who intend to appoint a proxy should have regard to the Proxy and Voting Instructions in this Notice of Meeting.

Note: Other than as expressly stated otherwise or where the context requires, references to numbers of Shares in this Notice of Meeting and the Explanatory Statement are expressed on a post-consolidation basis (as if Resolution 3 had been passed and the Share Consolidation completed).

ORDINARY BUSINESS

Receipt and consideration of accounts & reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2014.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly no Resolution will be put to Shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following Resolution as a non-binding ordinary resolution:

“That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' report) as set out in the Annual Report for the financial year ended 30 June 2014 be adopted.”

Please note that the vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting Exclusion

A vote in respect of Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or*
- (b) a Closely Related Party of such member.*

However, a person described above may cast a vote on Resolution 1 as proxy if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; or*
- (d) the person is the Chairman and the appointment of the Chairman as proxy:*
 - (i) does not specify the way the proxy is to vote on Resolution 1; and*
 - (ii) expressly authorises the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of the Key Management Personnel.*

Resolution 2: Election of Mr Peter Best as a Director of the Company

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

“That Mr Peter Best, having been appointed to the Board during the year, retires as a Director in accordance with the Constitution and having consented and being eligible for election, be elected as a Director.”

Resolution 3: Consolidation of Shares

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

'That, for the purposes of section 254H of the Corporations Act and ASX Listing Rule 7.20 and for all other purposes, the issued capital of the Company be consolidated on the basis that every [20] Shares be consolidated into 1 Share, and where this consolidation results in a fraction of a Share being held by a Shareholder, the Directors be authorised to round that fraction down to the nearest whole Share, and with such consolidation to take effect in the manner and on the date described in the Explanatory Statement.'

Resolution 4: Approval to issue Director Options to Mr Paul Salter

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

'That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of the relevant Director Options to Mr Paul Salter, a Director, on the terms and conditions set out in the Explanatory Statement.'

Voting Exclusion

The Company will disregard any votes cast on this Resolution 4 by:

- (a) Mr Paul Salter; or*
- (b) an associate of Mr Paul Salter.*

However, the Company need not disregard a vote on Resolution 4 if:

- (c) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (d) 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.*

Resolution 5: Approval to issue Director Options to Mr Craig Mathieson

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

'That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of the relevant Director Options to Mr Craig Mathieson, a Director, on the terms and conditions set out in the Explanatory Statement.'

Voting Exclusion

The Company will disregard any votes cast on this Resolution 5 by:

- (a) Mr Craig Mathieson; or*
- (b) an associate of Mr Craig Mathieson.*

However, the Company need not disregard a vote on Resolution 5:

- (c) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (d) 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.*

Resolution 6: Approval to issue Director Options to Mr Mordechai Benedikt

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

'That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of the relevant Director Options to Mr Mordechai Benedikt, a Director, on the terms and conditions set out in the Explanatory Statement.'

Voting Exclusion

The Company will disregard any votes cast on this Resolution 6 by:

- (a) Mr Mordechai Benedikt; or*
- (b) an associate of Mr Mordechai Benedikt.*

However, the Company need not disregard a vote on Resolution 6:

- (c) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (d) 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.*

Resolution 7: Approval to issue Director Options to Mr Peter Best

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

'That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of the relevant Director Options to Mr Peter Best, a Director, on the terms and conditions set out in the Explanatory Statement.'

Voting Exclusion

The Company will disregard any votes cast on this Resolution 7 by:

- (a) Mr Peter Best; or*
- (b) an associate of Mr Peter Best.*

However, the Company need not disregard a vote on Resolution 7 if:

- (c) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (d) 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.*

Resolution 8: Ratification of prior Share issue – November 2013

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

"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve, ratify and confirm the previous allotment and issue of 85,000,000 Shares at an issue price of \$0.006 (0.6 cents) per Share to professional and sophisticated investors as more fully explained in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast on this Resolution 8 by a person who participated in the issue and any of its associates.

However, the Company need not disregard a vote on Resolution 8 if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (b) 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.*

Resolution 9: Ratification of prior Share issue – December 2013

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

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve, ratify and confirm the previous allotment and issue of 6,500,000 Shares at an issue price of \$0.006 (0.6 cents) per Share as consideration for advisory services provided to the Company.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution 9 by a person who participated in the issue and any of its associates.

However, the Company need not disregard a vote on Resolution 9 if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (b) 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.*

Resolution 10: Ratification of prior Share issue – October 2014

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

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve, ratify and confirm the previous allotment and issue of 17,883,587 Shares at an issue price of \$0.003 (0.3 cents) per Share to professional and sophisticated investors as more fully explained in the Explanatory Statement.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution 10 by a person who participated in the issue and any of its associates.

However, the Company need not disregard a vote on Resolution 10 if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (b) 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.*

Resolution 11: Approval to issue Shares

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

“That for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve, ratify and confirm the allotment and issue of 63,333,333 Shares at an issue price of \$0.003 (0.3 cents) per Share as consideration for settlement of loans to the Company.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution 11 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of Shares, if this Resolution 11 is passed, and any of their associates.

However, the Company need not disregard a vote on Resolution 11 if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (b) 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.*

Resolutions 12: Approval of future placement of Shares to Director - Mr Mordechai Benedikt

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

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the Company to issue up to 18,333,333 Shares at an issue price of \$0.003 (0.3 cents) per Share to Mordechai Benedikt, a non-executive Director, on the terms as set out in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast on this Resolution 12 by:

- (a) Mr Mordechai Benedikt; or*
- (b) an associate of Mr Mordechai Benedikt.*

However, the Company need not disregard a vote on Resolution 12 if:

- (c) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (d) 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.*

Resolutions 13: Approval of future placement of Shares to Director - Mr Craig Mathieson

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

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the Company to issue up to 73,333,333 Shares at an issue price of \$0.003 (0.3 cents) per Share to Holdrey Pty Ltd as trustee for Don Mathieson Family Trust, being an entity associated with Mr Craig Mathieson (a non-executive Director), on the terms as set out in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast on this Resolution 13 by:

- (a) Mr Craig Mathieson; or*
- (b) an associate of Mr Craig Mathieson.*

However, the Company need not disregard a vote on Resolution 13 if:

- (c) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (d) 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.*

SPECIAL BUSINESS

Resolution 14: Change of Company name

To consider and, if thought fit, to pass the following Resolution as a special resolution:

'That, for the purposes of section 157(1) of the Corporations Act and for all other purposes, the Company's name be changed from World Oil Resources Limited to Abilene Oil and Gas Limited, with effect from the later of 28 November 2014 and the date on which ASIC alters the details of the Company's registration.'

Note: Under the Corporations Act, in order for Resolution 14 to be effective, this Resolution must be passed as a special resolution which requires 75% of votes cast on the Resolution (whether by Shareholders in person, or by proxy or by attorney and entitled to vote on the Resolution) to be in favour.

Resolution 15: Approval of 10% enhanced placement capacity

To consider and, if thought fit, pass the following Resolution as a special resolution:

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."

Voting Exclusion

A vote in respect of Resolution 15 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution 15 is passed; or*
- (b) an associate of that person.*

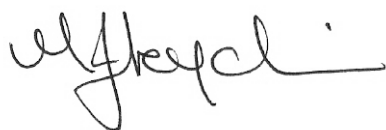
However, the Company need not disregard a vote on Resolution 15 if:

- (c) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; and*
- (d) 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.*

Other business

To transact any other business which may legally be brought before the Meeting.

By order of the Board



Melanie Leydin
Company Secretary
Melbourne
20 October 2014

EXPLANATORY STATEMENT

Introduction

This Explanatory Statement has been prepared to assist Shareholders to understand the Resolutions specified in the Notice of Meeting that will be put to Shareholders at the forthcoming Meeting.

This Explanatory Statement accompanies and forms part of the Notice of Meeting and should be read by Shareholders in conjunction with the Notice of Meeting.

The Directors recommend that Shareholders read this Explanatory Statement before making any decisions in relation to the Resolutions set out in the Notice of Meeting. If any Shareholder is in doubt as to how they should vote, they should seek advice from their legal, financial or other professional adviser prior to voting.

A glossary of defined terms used in the Notice of Meeting and this Explanatory Statement is set out in the Glossary section of this Explanatory Statement.

Shareholders should note that the Directors unanimously support all Resolutions contained in the Notice of Meeting, with the exception of Resolution 2, 4, 5, 6, 7, 12 and 13 on which certain Directors are precluded from making a recommendation as a result of their interest in the outcome of that Resolution.

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2014 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report) and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively you may access the Annual Report via the Company's announcement platform on ASX. Except for as set out in Resolution 1, no Resolution is required on these reports.

Resolution 1: Adoption of Remuneration Report

Section 250R(2) of the Corporations Act requires that at a listed Company's Annual General Meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, section 250R(3) of the *Corporations Act 2001* expressly provides that the vote on such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company (included as part of the "**Key Management Personnel**" or "**KMP**"). The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2014.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Pursuant to the *Corporations Amendment (Improving Accountability for Director and Executive Remuneration) Bill 2011* which amended the Corporations Act from 1 July 2011, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings (effectively, "two strikes"), shareholders will be required to vote at the second of those annual general meetings on a resolution (referred to as a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must go up for re-election. The spill resolution requirements will only be triggered where both strikes occur after 1 July 2014. On this basis, while votes on the Remuneration Report at this Annual General Meeting will be counted towards the two strikes, the first spill resolution can only potentially occur following the Company's 2015 Annual General Meeting.

Also, the *Corporations Amendment (Improving Accountability for Director and Executive Remuneration) Bill 2011* has introduced new prohibitions on Key Management Personnel and their Closely Related Parties from voting or voting undirected proxies on, amongst other things, remuneration matters. Accordingly, any undirected proxies held by Directors or by other Key Management Personnel or their Closely Related Parties for the purposes of Resolution 1 will not be voted on Resolution 1. This prohibition does not apply to the

Chairman of the meeting who may vote directed and undirected proxies in favour of the Resolution, providing that the Shareholder expressly authorises the Chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Closely Related Parties.

The Company encourages all Shareholders to cast their votes in relation to Resolution 1 and if Shareholders choose to appoint a proxy, Shareholders are encouraged to direct their proxy how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the proxy form. The Chairman of the meeting will vote undirected proxies in favour of Resolution 1.

Recommendation

The Board unanimously recommends that Shareholders approve Resolution 1.

Resolution 2: Election of Mr Peter Best

Mr Peter Best was appointed as a Director on 2 December 2013 as a casual vacancy and is eligible for election.

Peter Best has over 30 years' experience in the oil and gas industry, both in exploration and banking and finance. Peter is currently working as an consultant global oil and gas analyst based in Toronto. Peter advises both investment funds and corporates on oil and gas projects and investments around the world. In his initial career Peter worked as an oil and gas exploration geophysicist in Canada, Australia and other countries. This was followed by an active career as a rated oil and gas research analyst with Credit Suisse based in Sydney, Hong Kong and Toronto. Peter has a Bachelor of Science in Geophysics from the University of Calgary and a Masters in Applied Finance from Macquarie University in Sydney.

The non-candidate directors unanimously support the election of Mr Best. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Best's election.

Recommendation

The Board (with Mr Peter Best abstaining) recommend that you vote in favour of Resolution 2.

Resolution 3: Consolidation of Shares

Background

The Company proposes to consolidate its Share capital through the conversion of every 20 Shares into one Share.

Section 254H of the Corporations Act allows a company to consolidate all or any of its shares into a smaller number by way of an ordinary resolution of the members. The Share Consolidation does not require the approval of Shareholders under the ASX Listing Rules, however ASX Listing Rule 7.20 provides that if an entity proposes to reorganise its capital, it must advise its shareholders of certain matters, which are set out in this Explanatory Statement.

Commercial rationale

The Company currently has approximately 1,312,472,014 Shares on issue.

This large number of Shares imposes a number of disadvantages upon the Company, including:

- (a) negative perceptions associated with a low share price and earnings per share;
- (b) precluding investment from certain investors, such as some institutional investors, who may be limited by their charters or mandates from investing in stocks with low share prices;
- (c) administrative cost and inconvenience, including the need to calculate any potential dividend or distribution to fractions of a cent; and
- (d) additional share price volatility arising from the fact the minimum share price movement permitted by the ASX represents a higher proportion of the Company's share price than it would if the Company had a higher share price.

The Directors believe that a consolidation of the Shares would assist in dealing with these disadvantages.

The Share Consolidation will not alter the relative interests of each Shareholder and merely reduces the number of Shares held by each Shareholder on a proportionate basis, with each Shareholder having the same percentage interest in the Company both before and after the consolidation (subject only to rounding of fractional entitlements).

Effect on number of Shares

Resolution 3 seeks Shareholder approval to consolidate the Company's issued Share capital by consolidating every 20 Shares into 1 Share. For example, a holding of 10,000 Shares before the consolidation, would result in a holding of 500 Shares after the consolidation. All other things being equal, the Company's Share price should increase to reflect the consolidation and the smaller number of Shares on issue.

The Company has approximately 1,312,472,014 Shares on issue as at the date of the Notice of Meeting. There are no other classes of Shares on issue in the Company and all Shares are fully paid.

If this Resolution is passed, the number of Shares on issue will be reduced from approximately 1,312,472,014 Shares to approximately 65,623,601 Shares, subject to rounding discussed below.

The Company's balance sheet and tax position will not be affected by the Share Consolidation. However, Shareholders should consult their own tax adviser for specific taxation advice in connection with the Share Consolidation in order to assess the impact on their own particular circumstances.

Fractional entitlements

Any fractional entitlements arising from the Share Consolidation as a result of holdings not being evenly divisible by 20 will be rounded down to the nearest whole number. In other words, where any Shareholders would have a holding which is not a whole number post the Share Consolidation, the Company proposes to round that holding down to the next whole number.

Holdings statements

From the date of the Share Consolidation, all existing holding statements for Shares will cease to have any effect, except as evidence of an entitlement to a certain number of Shares on a post Share Consolidation basis. After the Share Consolidation becomes effective, the Company will arrange for new holding statements to be issued to all Shareholders.

Taxation

In general terms, no capital gains tax event will occur as a result of the Share Consolidation and therefore there will be no taxation implications arising for the Shareholders. The above is a general statement only of the tax effect of the Share Consolidation. In each case, however, the particular taxation implications will depend upon the circumstances of the relevant Shareholder. Accordingly, Shareholders are encouraged to seek and rely only on their own professional advice in relation to their tax position. Neither the Company nor any of its officers, employees or advisors assumes any liability or responsibility for advising Shareholders about the tax consequences for them from the proposed Share Consolidation.

Indicative timetable for the Share Consolidation

Event	Indicative date
Meeting held, including Resolution to approve Share Consolidation	27 November 2014
Company notifies ASX that Shareholders have approved the Share Consolidation	27 November 2014
Last day for trading in pre-consolidated Shares	28 November 2014
Trading in the consolidated Shares on a deferred settlement basis starts	1 December 2014
Last day for Company to register Share transfers on a pre-consolidated basis	3 December 2014
First day for Company to register share transfers on a consolidated basis and first day for Company to issue holding statements for Shares on a consolidated basis	4 December 2014
Company announces to ASX that despatch of the new holding statements has occurred	4 December 2014
Deferred settlement trading	11 December 2014
Normal T+3 trading in consolidated Shares starts	12 December 2014
Settlement of trades conducted on a deferred settlement basis and first settlement of trades conducted on the normal T+3 basis	16 December 2014
Company lodges a copy of the Share Consolidation resolution with ASIC	On or before 27 December 2014

Recommendation

The Board unanimously recommends that Shareholders approve Resolution 3.

Resolutions 4 to 7 – Approval to issue Director Options

Requirement for Shareholder approval

Among other things, and unless a relevant exception applies, ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by resolution prior to issuing or agreeing to issue any equity securities to a director of that company.

Requirement for Shareholder approval – ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval prior to the issue of equity securities (including an option) to a related party. As noted, each of Mr Paul Salter, Mr Craig Mathieson, Mr Mordecai Benedikt and Mr Peter Best, are related parties of the Company by virtue of the fact that each is a Director.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting for a proposed approval under ASX Listing Rule 10.11. The following information is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- (a) the maximum number of options (being the Director Options) to be issued is 6,400,000 post consolidation (in other words, assuming Resolution 3 is passed by the requisite majority of Shareholders and the Share Consolidation completed);
- (b) the Director Options will be issued no later than one month from the date of approval (or such later date as approved by ASX);

- (c) the terms and conditions of the Director Options are set out in Annexure A to this Explanatory Statement, including the following information; and
- (d) The Director Options will not have an issue price and no funds will be raised from their issue.

Details of the Directors and the proposed issue of Director Options

Name	Title	Number of Director Options	Number of Shares which each Director Option confers a right to acquire	Exercise Price per Share	Vesting date	Expiry
Mr Paul Salter	Director	1,600,000	1	\$0.08	Date of grant	31 October 2017
Mr Craig Mathieson	Director	1,600,000	1	\$0.08	Date of grant	31 October 2017
Mr Mordecai Benedikt	Director	1,600,000	1	\$0.08	Date of grant	31 October 2017
Mr Peter Best	Director	1,600,000	1	\$0.08	Date of grant	31 October 2017

Each Director Option will entitle its holder to subscribe for and be issued one Share in the Company at an exercise price of \$0.08 (8 cents) per Director Option.

Each Director Option will be exercisable for a period of up to 3 years following grant date, following which the Director Option will lapse/expire.

In the event that all of the Director Options issued pursuant to Resolutions 4 to 7 are duly exercised, the issue of Shares under the Director Options will be equal to approximately 10% of the Company's fully-diluted share capital (based on the number of Shares on issue as at the date of the Notice of Meeting).

As previously noted, Shareholders should be aware that the number of Director Options and the exercise price percentages are expressed on a post-consolidation basis (as if Resolution 3 had been passed and the Share Consolidation completed).

Any Shares issued by the Company pursuant to a Director Option will rank equally with, and carry the same rights and privileges as, any other Share (including Shares currently on issue).

In the event that Resolutions 4 to 7 are passed, the Director Options will be allotted and issued as soon as possible after the Meeting and, if Shareholders approve Resolution 3, will be issued following the Share Consolidation.

Corporations Act - treatment of remuneration matters

Under Chapter 2E of the Corporations Act, a public company cannot give a 'financial benefit' to a 'related party' unless one of the exceptions to the section apply or shareholders have in a general meeting approved the giving of that financial benefit to the related party.

In the current circumstances, the issue of the Director Options would constitute a 'financial benefit' as defined in the Corporations Act. A related party of a listed company includes a director of the listed company, a spouse or de facto spouse of a director or any other person specified under section 228 of the Corporations Act to be a related party. As such, each Director constitutes a 'related party' of the Company for the purposes of the Corporations Act.

Accordingly, the proposed issue of the Director Options to the Directors will constitute the provision of financial benefits to related parties of the Company.

Section 211 of the Corporations Act provides an exception to the provisions of Chapter 2E of the Corporations Act will occur where the financial benefit is given to the related party as an officer of the Company and to give the remuneration would be reasonable given the circumstances of the Company and the related party's circumstances (including the responsibilities involved in the office or employment).

The Company considers the proposed issue of the Director Options the subject of Resolutions 4 to 7 is reasonable remuneration:

- (a) for a company of the size and nature of the Company; and
- (b) which, given that the Company has other preferred use for its available cash, is an appropriate alternative for providing incentives to the Directors,

and for those and other reasons, as such, falls within the exception set out in section 211 of the Corporations Act.

Intended purpose of issuing Director Options

The issue of the Director Options is intended to:

- (a) attract and retain Directors who have the necessary skills to expand and develop the Company's business;
- (b) provide appropriate incentives to the Directors; and
- (c) align of the interests of the Directors with the growth and success of the Company.

The potential disadvantage of the Shareholders approving Resolution 4 to 7 include dilution of Shareholder interests if the Director Options are exercised at some future time.

Voting exclusion statement

The Company will disregard any votes cast on:

- (a) Resolution 4 by Mr Paul Salter or an associate of Mr Paul Salter;
- (b) Resolution 5 by Mr Craig Mathieson or an associate of Mr Craig Mathieson;
- (c) Resolution 6 by Mr Mordecai Benedikt or an associate of Mr Mordecai Benedikt; and
- (d) Resolution 7 by Mr Peter Best or an associate of Mr Peter Best;

However, the Company need not disregard a vote on Resolution 4 to 7 if:

- (e) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (f) 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.

No recommendation

The Board declines to make a recommendation to shareholders in relation to Resolutions 4 to 7 due to their personal interest in the outcome of those Resolutions. The Directors are not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 4 to 7.

Resolution 8 – Ratification of prior Share issue – November 2013

As announced to the market on 18 November 2013, the Company completed a placement with a number of professional and sophisticated investors. Pursuant to the Placement, the Company allotted and issued 90,000,000 Shares at an issue price of \$0.006 (0.6 cents) per Share, raising \$540,000. A total of 85,000,000 Shares (raising \$510,000) were issued utilising the Company's placement capacity under ASX Listing Rule 7.1 (**Placement Shares**), while the remaining 5,000,000 Shares were issued following Shareholder approval at the Company's 2013 Annual General Meeting which was held on 29 November 2013. Further information regarding the Placement is available through the Company's previous ASX announcements.

Funds raised from this placement were used to fund the acquisition of new and on-going projects and working capital of the Company.

Why Shareholder approval is being sought

Generally, under ASX Listing Rule 7.1, a company may, in any 12 month period, issue without the prior approval of shareholders, new securities which amount to or exchange into shares of up to 15% of the number of shares on issue 12 months before the date of the issue of the new securities.

ASX Listing Rule 7.4 provides that an issue by a company of securities made without shareholder approval under ASX Listing Rule 7.1 is treated as having been made with approval if the issue did not breach ASX Listing Rule 7.1 when it was made and the company's shareholders subsequently approve it.

The Company now seeks Shareholder approval for the issue of Shares pursuant to ASX Listing Rule 7.4.

The effect of passing Resolution 8 will be to refresh the Company's 15% capacity under ASX Listing Rule 7.1 so that the Company's capacity would be the same as if the Shares had not been issued. This Resolution, if passed, will increase the Company's financial flexibility in the future. Currently, the Company does not intend to undertake any further issue of securities in the event that approval is received from Shareholders in respect of Resolution 8. The Board will only decide to issue further equity securities if it considers it is in the best interests of the Company to do so.

If Resolution 8 is not passed by Shareholders, the Company would, when calculating the number of securities it can issue without Shareholder approval to go beyond the 15% limit, need to deduct the Shares from that number of securities.

Additional information regarding the placement

The following additional information is provided in connection with the approval sought under Resolution 8:

(a) The number of securities issued:

A total of 85,000,000 Shares, were issued under this placement.

(b) The price at which the securities were issued:

Each Share was issued at an issue price of \$0.006 (0.6 cents) per Share.

(c) The terms of the securities:

Each of the Shares issued under this placement was a fully paid ordinary share in the Company, issued on the same terms as the Company's other fully paid ordinary shares then on issue.

(d) The names of the allottees or the basis on which the allottees were determined:

The Shares were issued and allotted to an aggregate of seven allottees, being professional and sophisticated investors, and were not issued to related parties of the Company or their associates.

(e) The use (or intended use) of the funds raised:

Fund the acquisition of new and on-going projects and for working capital of the Company.

Voting Exclusion

The Company will disregard any votes cast on this Resolution 8 by:

- (a) each person who participated in the Placement; or*
- (b) an associate of any of those persons.*

However, the Company need not disregard a vote on Resolution 8 if:

- (c) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (d) 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.*

Recommendation

The Board unanimously recommends that Shareholders approve Resolution 8. The Board considers that the approval of this Resolution 8 is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of equity securities permitted under ASX Listing Rule 7.1 in the next 12 months (without further Shareholder approval), should it be required.

Resolution 9 – Ratification of prior Share issue – December 2013

As announced to the market on 23 December 2013, the Company allotted and issued 6,500,000 Shares at a deemed issue price of \$0.006 (0.6 cents) per Share, as consideration for advisory services provided to the Company. Further information regarding the Share Issue is available through the Company's previous ASX announcements.

Why Shareholder approval is being sought

Generally, under ASX Listing Rule 7.1, a company may, in any 12 month period, issue without the prior approval of shareholders, new securities which amount to or exchange into shares of up to 15% of the number of shares on issue 12 months before the date of the issue of the new securities.

ASX Listing Rule 7.4 provides that an issue by a company of securities made without shareholder approval under ASX Listing Rule 7.1 is treated as having been made with approval if the issue did not breach ASX Listing Rule 7.1 when it was made and the company's shareholders subsequently approve it.

The Company now seeks Shareholder approval for the issue of Shares pursuant to ASX Listing Rule 7.4.

The effect of passing Resolution 9 will be to refresh the Company's 15% capacity under ASX Listing Rule 7.1 so that the Company's capacity would be the same as if the Shares had not been issued. This Resolution, if passed, will increase the Company's financial flexibility in the future. Currently, the Company does not intend to undertake any further issue of securities in the event that approval is received from Shareholders in respect of Resolution 9. The Board will only decide to issue further equity securities if it considers it is in the best interests of the Company to do so.

If Resolution 9 is not passed by Shareholders, the Company would, when calculating the number of securities it can issue without Shareholder approval to go beyond the 15% limit, need to deduct the Shares from that number of securities.

Additional information regarding the Share Issue

The following additional information is provided in connection with the approval sought under Resolution 9:

- (a) The number of securities issued:

A total of 6,500,000 Shares were issued.

- (b) The price at which the securities were issued:

Each Share was issued at a deemed issue price of \$0.006 (0.6 cents) per Share. The deemed issue price was determined on the basis of, and being equal to, the price at which the Placement Shares were issued in October 2013.

- (c) The terms of the securities:

Each of the Shares issued was a fully paid ordinary shares in the Company, issued on the same terms as the Company's other fully paid ordinary shares then on issue.

- (d) The names of the allottees are as follows:

The Shares were issued and allotted to Y.A.D Investments Pty Ltd as consideration for advisory services provided to the Company and were not issued to related parties of the Company or their associates.

- (e) The use (or intended use) of the funds raised:

No funds were raised by these issue of these Shares. The Shares were issued as consideration for advisory services provided to the Company.

Voting Exclusion

The Company will disregard any votes cast on this Resolution 9 by:

- (a) each person who participated in the Placement; or*
- (b) an associate of any of those persons.*

However, the Company need not disregard a vote on Resolution 9 if:

- (c) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (d) 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.*

Recommendation

The Board unanimously recommends that Shareholders approve Resolution 9. The Board considers that the approval of this Resolution 9 is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of equity securities permitted under ASX Listing Rule 7.1 in the next 12 months (without further Shareholder approval), should it be required.

Resolution 10 – Ratification of prior Share issue – October 2014

As announced to the market on 14 October 2014, the Company allotted and issued 17,883,587 Shares at a deemed issue price of \$0.003 (0.3 cents) per Share, raising \$248,100. Further information regarding this issue of Shares is available through the Company's previous ASX announcements.

Funds raised from this issue of Shares were used to fund the acquisition of new and on-going projects and working capital of the Company.

Why Shareholder approval is being sought

Generally, under ASX Listing Rule 7.1, a company may, in any 12 month period, issue without the prior approval of shareholders, new securities which amount to or exchange into shares of up to 15% of the number of shares on issue 12 months before the date of the issue of the new securities.

ASX Listing Rule 7.4 provides that an issue by a company of securities made without shareholder approval under ASX Listing Rule 7.1 is treated as having been made with approval if the issue did not breach ASX Listing Rule 7.1 when it was made and the company's shareholders subsequently approve it.

The Company now seeks Shareholder approval for the issue of Shares pursuant to ASX Listing Rule 7.4.

The effect of passing Resolution 10 will be to refresh the Company's 15% capacity under ASX Listing Rule 7.1 so that the Company's capacity would be the same as if the Shares had not been issued. This Resolution, if passed, will increase the Company's financial flexibility in the future. Currently, the Company does not intend to undertake any further issue of securities in the event that approval is received from Shareholders in respect of Resolution 10. The Board will only decide to issue further equity securities if it considers it is in the best interests of the Company to do so.

If Resolution 10 is not passed by Shareholders, the Company would, when calculating the number of securities it can issue without Shareholder approval to go beyond the 15% limit, need to deduct the Shares from that number of securities.

Additional information regarding the Share Issue

The following additional information is provided in connection with the approval sought under Resolution 10:

- (a) The number of securities issued:

A total of 17,883,587 Shares were issued.

- (b) The price at which the securities were issued:

Each Share was issued at a deemed issue price of \$0.003 (0.3 cents) per Share.

- (c) The terms of the securities:

Each of the Shares is a fully paid ordinary shares in the Company, issued on the same terms as the Company's other fully paid ordinary shares then on issue.

- (d) The names of the allottees or the basis on which the allottees were determined:

The Shares were issued and allotted to an aggregate of 15 allottees, being professional and sophisticated investors and were not issued to related parties of the Company or their associates.

- (e) The use (or intended use) of the funds raised:

Fund the acquisition of new and on-going projects and for working capital of the Company.

Voting Exclusion

The Company will disregard any votes cast on this Resolution 10 by:

- (a) each person who participated in the Placement; or*
- (b) an associate of any of those persons.*

However, the Company need not disregard a vote on Resolution 10 if:

- (c) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- (d) 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.*

Recommendation

The Board unanimously recommends that Shareholders approve Resolution 10. The Board considers that the approval of this Resolution 10 is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of equity securities permitted under ASX Listing Rule 7.1 in the next 12 months (without further Shareholder approval), should it be required.

Resolution 11: Approval to issue Shares

This resolution seeks approval of Shareholders for the issue of 63,333,333 Shares (on a pre-consolidation basis) to settle loan funds advanced to the Company.

Why Shareholder approval is being sought

ASX Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue during any 12 month period, any equity securities or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that twelve (12) month period

If Resolution 11 is not passed by Shareholders, the Company would, when calculating the number of securities it can issue without Shareholder approval to go beyond the 15% limit, need to deduct the Shares from that number of securities.

Additional information regarding the Share Issue

ASX Listing Rule 7.3 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.1:

- (a) the total number of securities which will be allotted and/or issued under Resolution 11 is 63,333,333 Shares;
- (b) the Shares will be issued at a price of \$0.003 (0.3 cents) per Share;
- (c) the recipients of these Shares will be PJP Group Pty Ltd and Itzhak Benedikt;
- (d) the Shares will rank equally with all securities of that class;

- (e) the securities will be issued within three months of this Annual General Meeting (or such later date as is permitted by an ASX waiver or a modification of the ASX Listing Rules); and
- (f) the Shares are proposed to be issued in satisfaction of loan funds advanced to the Company.
- (g) If shareholder approval is not received the shares will be issued under the Company's placement capacity.

Recommendation

The Board unanimously recommends that Shareholders approve Resolution 11. The Board considers that the approval of this Resolution 11 is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of equity securities permitted under ASX Listing Rule 7.1 in the next 12 months (without further Shareholder approval), should it be required.

Resolutions 12 and 13: Approval of future placement of Shares to Directors

Resolutions 12 and 13 seeks Shareholder approval for the purposes of ASX Listing Rule 10.11 and for all other purposes, for the issue of Shares to the entities listed below (the **Recipients**).

The Company has entered into conditional placement agreements with each Recipient on commercial arm's length terms, under which they have each agreed to subscribe for the relevant Shares. Each Recipient may acquire the Shares directly or through a nominee.

Entity	Maximum number of Shares to be issued (pre-consolidation)	Price paid per Share (pre-consolidation)
Mr Mordechai Benedikt	18,333,333	\$0.003
Holdrey Pty Ltd as trustee for Don Mathieson Family Trust, being an entity associated with Mr Craig Mathieson (a non-executive Director)	73,333,333	\$0.003

For the purposes of Chapter 2E of the Corporations Act, as Directors of the Company, each Recipient is a 'Related Party' for the purposes of the Corporations Act. For a public company to give a financial benefit to a Related Party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the same manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The future placements of Shares to the Recipients constitutes the giving of a financial benefit. Section 210 of the Corporations Act provides that a company does not need to obtain shareholder approval to give a financial benefit to a Related Party if the giving of the financial benefit would be reasonable in the circumstances if the Related Party and the company were dealing at arm's length (or on term's less favourable than arm's length).

The Board is of the view that the future placements of Shares to the Recipients is on terms that would be no more favourable to the Recipients than terms that would be reasonable in the circumstance if the Company and the Recipients were dealing at arm's length.

If Resolutions 12 and 13 are approved, the issues of the Shares will raise a total of up to \$275,000.

The willingness of these Directors to subscribe for Shares is confirmation of their faith in the Company and its business. The funds raised by the issues will be used to strengthen the Company's balance sheet, meet general working capital requirements and to enable the Company to implement and execute its business objectives at its projects in the USA and Brazil.

Full details in relation to the issues of Shares for which Resolutions 12 and 13 are seeking approval are set out in below.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the company.

A “related party” for the purposes of the ASX Listing Rules is defined broadly and includes a director of the company or an entity controlled by a director of the company.

The Recipients are a Director of the Company (or an entity considered to be controlled by a Director of the Company as noted).

Approval for the issues of the shares is sought in accordance with the provisions of ASX Listing Rule 10.11. If approval is given under ASX Listing Rule 10.11, Exception 14 to ASX Listing Rule 7.2 provides that separate approval is not required for the purposes of ASX Listing Rule 7.1 (this means that the issues of the Shares will not utilise any of the Company’s 15% placement capacity under ASX Listing Rule 7.1).

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. For the purposes of ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 12 and 13:

- (a) the names of the persons are Mordechai Benedikt (**Benedikt**) and Holdrey Pty Ltd as trustee for Don Mathieson Family Trust (**Holdrey**) (or their respective nominees);
- (b) the maximum number of Shares to be issued to Benedikt is 18,333,333 and to Holdrey is 73,333,333, being up to 91,666,667 Shares in aggregate (on a pre-consolidation basis);
- (c) the Shares will be issued not later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that allotment will occur on one date;
- (d) the Shares will be issued for cash consideration of \$0.003 (0.3 cents) per Share (on a pre-consolidation basis). The Shares to be issued are fully paid ordinary shares and will rank equally in all respects with the Company’s existing Shares on issue;
- (e) a voting exclusion statement in respect of Resolutions 12 and 13 is set out in this section of the Explanatory Memorandum; and
- (f) the issues of the Shares are for the purpose of providing funds to strengthen the Company’s balance sheet, meet general working capital requirements and to enable the Company to implement and execute its business objectives at its projects in the USA and Brazil.

Impact on the capital of the Company

The Company currently has 1,312,472,014 Shares on issue (on a pre-consolidation basis);

Upon issue, the Shares to be issued under the placements which are the subject of Resolutions 12 and 13 will represent a total of 6.98% of the share capital of the Company.

Details of the interests of Mr Mordechai Benedikt and Mr Craig Mathieson, together with the interests of their respective associated entities (including the Recipients), in the Company are set out below.

Shareholder	Current shareholding (pre-consolidation)		Shareholding upon issue of placement Shares (pre-consolidation)**	
	Number	%	Number	%
Mr Mordechai Benedikt	1,833,333	0.13%	20,166,667	1.37%
Mr Craig Mathieson	259,929,800	19.80%	333,263,133	22.71%
Other shareholders	1,050,708,881	80.06%	1,114,042,213	75.92%
Total shares on issue	1,312,472,014	100.00%	1,467,472,012	100.00%

** Includes the issue of shares under Resolution 11

Recommendation

The Board recommends that you cast your vote in favour of Resolutions 12 and 13. Mr Mordechai Benedikt and Mr Craig Mathieson make no recommendation regarding Resolutions 12 and 13 respectively.

Voting Exclusion

The Company will disregard any votes cast on Resolutions 12 and 13 by any person who is to receive shares in relation to the Company (being the relevant Recipient) and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if the Resolution is passed, and any associates of those persons.

However the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or 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.

Resolution 14 – Change of Company name

This resolution seeks Shareholder approval to effect a change in the Company's name from 'World Oil Resources Limited' to 'Abilene Oil and Gas Limited'.

The Board is in the process of developing a strategy to refresh and enhance the Company's brand. The Board believes that changing the name of the Company to Abilene Oil and Gas Limited is consistent with the Company's current operations and exploration areas of interest.

The Company hopes that the proposed new name will help to facilitate an improved understanding of the Company's businesses and growth strategy.

If this special resolution is passed, the change of name will take effect on the later of 28 November 2014 and when ASIC alters the details of the Company's registration. Subject to the passing of Resolution 14 by the requisite majority of Shareholders, the Company intends to liaise with the ASX regarding changing the Company's listing code to better reflect the Company's new name. In this regard, the Company intends to request the listing code ABL from the ASX.

Voting

Resolution 14 is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by Shareholders who are entitled to vote on the Resolution, are voted in favour.

Recommendation

The Board unanimously recommends that Shareholders approve Resolution 14.

Resolution 15: Approval of 10% enhanced placement capacity

ASX Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less as at the date of the annual general meeting. The Company is an eligible entity as at the time of this Notice and expects to remain so at the date of the Meeting..

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue equity securities under the 10% Placement Facility.

The exact number of equity securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (see below).

The Company continues actively seeking to increase work on its current exploration assets and reviewing new potential projects and investments. Should the Company utilise the 10% Placement Facility, it intends to use

the funds to acquire new resource assets or investments, to conduct further work on its current projects or to meet additional working capital requirements.

The Directors believe that Resolution 15 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

ASX Listing Rule 7.1A

The effect of Resolution 15 will be to allow the Directors to issue the equity securities under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

Resolution 15 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Description of ASX Listing Rule 7.1A

(a) Shareholder approval

The ability to issue equity securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity securities

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company.

The Company, as at the date of the Notice, has on issue two classes of equity securities, Shares and unlisted options.

(c) Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of equity securities calculated in accordance with the following formula:

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement:

- i. plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- ii. plus the number of partly paid shares that became fully paid in the 12 months;
- iii. plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- iv. less the number of fully paid shares cancelled in the 12 months.

Note that A is has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%; and

E is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rule 7.1 or 7.4.

(d) ASX Listing Rule 7.1 and ASX Listing Rule 7.1A

The ability of an entity to issue Equity Securities under ASX Listing Rule 7.1A is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

At the date of this Notice, the Company has on issue 1,312,472,014 Shares and therefore has a capacity to issue:

- (i) 65,329,677 equity securities under ASX Listing Rule 7.1; and
- (ii) subject to Shareholder approval being obtained under Resolution 15, 131,247,201 equity securities under ASX Listing Rule 7.1A.

The actual number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2

(e) Minimum issue price

The issue price of equity securities issued under ASX Listing Rule 7.1A must be not less than 75% of the VWAP of equity securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed; or
- (ii) if the equity securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the equity securities are issued.

(f) 10% placement period

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or ASX 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX ("**10% Placement Period**").

Specific information required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

(a) Minimum price of securities issued under the 10% Enhancement Placement Facility

The equity securities will be issued at an issue price of not less than 75% of the VWAP for the Company's equity securities over the 15 Trading Days immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed; or
- (ii) if the equity securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(b) Risk of economic and voting dilution to existing Shareholders

If Resolution 15 is approved by Shareholders and the Company issues equity securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:

- (i) the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the Meeting; and
- (ii) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date or the equity securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the equity securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows **on a pre-consolidation basis**:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.002 50% decrease in Issue Price	\$0.003 Issue Price	\$0.006 100% increase in Issue Price
Current Variable A 1,312,472,014 Shares	10% Voting Dilution	131,247,201 Shares	131,247,201 Shares	131,247,201 Shares
	Funds raised	\$196,871	\$393,742	\$787,483
50% increase in current Variable A 1,968,708,020 Shares	10% Voting Dilution	196,870,802 Shares	196,870,802 Shares	196,870,802 Shares
	Funds raised	\$295,306	\$590,612	\$1,181,225
100% increase in current Variable A 2,624,944,026 Shares	10% Voting Dilution	262,494,403 Shares	262,494,403 Shares	262,494,403 Shares
	Funds raised	\$393,742	\$787,483	\$1,574,966

The table has been prepared on the following assumptions:

- The Company issues the maximum number of equity securities available under the 10% Placement Facility.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of equity securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1.
- The issue of equity securities under the 10% Placement Facility consists only of Shares.
- The issue price is **\$0.003**, being the closing price of the Shares on ASX on **15 October 2014 on a pre-consolidation basis**

(c) Final date for issue

The Company will only issue and allot the equity securities during the 10% Placement Period. The approval under Resolution 15 for the issue of the equity securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities or ASX Listing Rule 11.2 (disposal of main undertaking)).

(d) Purpose of issue under 10% Placement Facility

The Company may seek to issue the equity securities for the following purposes:

- (i) non-cash consideration for the acquisition of the new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
- (a) The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A(4) and 3.10.5A upon issue of any equity securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the equity securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (f) The Company has not previously sought Shareholder approval for additional placement capacity under Listing Rule 7.1A.
- (g) Voting exclusion statement

A vote in respect of Resolution 15 must not be cast (in any capacity) by or on behalf of any of the following persons:

- a. a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution 15 is passed; or*
- b. an associate of that person.*

However, the Company need not disregard a vote on Resolution 15 if:

- c. it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; and*
- d. 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.*

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the equity securities. Therefore, no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

Further information

If you have any questions or need more information about any of the Resolutions above, please contact Melanie Leydin on +61 3 9692 7222 or via email to mleydin@leydinfreyer.com.au

Date: 20 October 2014



Melanie Leydin
Company Secretary

PROXY AND VOTING INSTRUCTIONS

Quorum

The Constitution provides that a quorum for the Meeting is two Shareholders.

Voting entitlement

The Company has determined, in accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that the Shareholders entitled to attend and vote at the Meeting shall be those persons who are recorded on the register of members at 7.00pm (Melbourne time) on Tuesday, 25 November 2014.

Majority required for the Resolutions to be passed

All Resolutions (except for Resolution 14 and 15) will be passed if at least 50% of the votes cast on each that Resolution (either in person, proxy, attorney or by corporate representative) are in favour of each that Resolution.

Resolution 14 and 15 will only be passed if at least 75% of the votes cast on that Resolution (either in person, proxy, attorney or by corporate representative) are in favour of the that Resolution.

Proxies

A form of proxy for use at the meeting is enclosed with this Notice of Meeting.

A Shareholder submitting a proxy may appoint one proxy if the Shareholder is only entitled to one vote; or one or two proxies if the Shareholder is entitled to more than one vote. A proxy need not be a Shareholder. A proxy may be an individual or a body corporate. A Shareholder may appoint a proxy other than the person designated by default in the enclosed form of proxy by inserting the full name of the desired person in the blank space provided for that purpose on the form of proxy.

If a Shareholder appoints one proxy, that proxy may vote on a show of hands. If a Shareholder appoints two proxies, neither proxy may vote on a show of hands. Where the Shareholder appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not do so, each proxy may exercise one-half of the votes, and any fraction of votes will be disregarded.

A proxy will not be valid for the Meeting unless it is signed by the Shareholder or the Shareholder's attorney duly authorised in writing or, if the Shareholder is a corporation, executed by a duly authorised officer or officers in accordance with the instructions on the enclosed form of proxy. The proxy to be acted upon and completed in accordance with the instructions on the form must be delivered to the Company, together with the power of attorney or other authority (if any) under which it is signed or authenticated (or a certified copy thereof) prior to 12.00pm (Melbourne time) on 25th of November 2014:

- by mail using the enclosed reply envelope to:
GPO Box 242 Melbourne, Victoria, 3001, Australia.
- by facsimile:
1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)
- by delivery to Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067, Australia
- **Custodians may lodge their proxy forms online by visiting www.intermediaryonline.com**

A Shareholder executing and delivering a proxy has the power to revoke it. However, such revocation will not be effective unless an instrument in writing evidencing the revocation, and executed by the Shareholder or by his or her attorney authorised in writing, is received by the Company before the start or resumption of the meeting at which the proxy votes.

Voting of proxies

A proxy may decide whether to vote on any motion, except where the proxy is required by law or under the Constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with that direction. If a proxy is not directed how to vote on an item of business, a proxy may vote as he or she thinks fit.

How the Chairman will vote undirected proxies

If you return your proxy form but do not nominate a proxy, the Chairman will be your proxy and will vote on your behalf as you direct on the proxy form. If your nominated representative does not attend the meeting then your proxy will revert to the Chairman and he will vote on your behalf as you direct on the proxy form.

If a proxy is not directed how to vote on an item of business or Resolution, the proxy (including, if applicable, the Chairman) may vote, or abstain from voting, as they think fit.

If you appoint the Chairman of the meeting as your proxy (or if he maybe appointed by default) and do not direct him how to vote on a particular Resolution, he will vote your proxy in favour of that item of business, even if the Chairman of the meeting has an interest in the outcome of that particular Resolution and votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

Voting by corporate representatives

Corporate Shareholders or proxies wishing to vote by corporate representative should obtain an appointment of corporate representative form from the Share Registry and complete and sign the form in accordance with the corporate Shareholder's constitution or by a duly authorised attorney.

The corporate representative form and the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof) must be received by the Company before the start or resumption of the meeting at which the representative is to vote, by:

- fax to: Computershare Investor Services Pty Limited on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)
- post in the reply paid envelope provided; or
- hand delivery to: World Oil Resources Limited C/- Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067, Australia.

GLOSSARY

10% Placement Facility has the meaning given in the Explanatory Statement.

10% Placement Period has the meaning given in the Explanatory Statement.

Accounting Standards has the meaning given to that term in the Corporations Act.

Annual Report means the annual report of the Company.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 .

ASX Listing Rules and **Listing Rule** means the listing rules of ASX.

Board means the relevant board of Directors of the Company from time to time.

Chairman means Paul Salter the chairman of the Company.

Closely Related Party of the Key Management Personnel has the meaning given to that term in the Corporations Act.

Company means World Oil Resources Limited ACN 000 752 849.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth), as amended from time to time.

Director Options means the 6,400,000 options (post consolidation basis), in aggregate, that are proposed to be issued to Mr Paul Salter, Mr Craig Mathieson, Mr Mordecai Benedikt and Mr Peter Best, each of whom is a Director, in accordance with Resolutions 4-7.

Directors means the directors of the Company from time to time.

Explanatory Statement means this explanatory statement that is annexed to and forms part of the Notice of Meeting.

Key Management Personnel has the same meaning as in the Accounting Standards, and includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Meeting means the meeting of the Shareholders to which the Notice of Meeting and this Explanatory Statement relates, which is proposed to be held at the offices of Grant Thornton, The Rialto, Level 30 525 Collins Street, Melbourne, Victoria at 12.00pm (AEDT) on 27 November 2014.

Notice of Meeting means the notice of meeting convening the Meeting.

Remuneration Report means the remuneration report forming part of the relevant Annual Report.

Resolutions means the resolutions that are set out in the Notice of Meeting and explained in this Explanatory Statement and Resolution means any one of the Resolutions.

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

Share Consolidation means the proposed consolidation of the Company's Share capital on a 20:1 basis, the subject of Resolution 3 of the Notice of Meeting.

Share Registry means Computershare Investor Services Pty Limited ACN 078 279 277.

Shareholder means a holder of Shares in the Company and Shareholders has a corresponding meaning.

ANNEXURE A

Option terms

Entitlement

1. Each option entitles the optionholder to subscribe for one fully paid ordinary share in the capital of the Company.

Issue price

2. No amount is payable on issue of the options.

Exercise price

3. The exercise price of each option is A\$0.08 (post consolidation)

Option period

4. Each option:
 - (a) may be exercised in whole (and not in part) at any time before; and
 - (b) if not exercised at any time before, automatically expires on, 5pm Melbourne time on the third anniversary of the date of issue. If that anniversary is not a Business Day (as that term is defined in the ASX Listing Rules), the option expires at 5pm Melbourne time on the first Business Day (as that term is defined in the ASX Listing Rules) following that anniversary.

Certificate

5. The Company must give each optionholder a certificate or holding statement stating:
 - (a) the number of options issued to the optionholder;
 - (b) the exercise price of the options; and
 - (c) the date of issue of the options.

Participation rights, bonus issues, rights issues and reorganisations

6.1 *Participation*

An optionholder is not entitled to participate in any new issue to existing shareholders of securities in the Company unless they have exercised their options before the record date for determining entitlements to the new issue of securities and participate as a result of holding shares.

6.2 *Dividends*

The options do not confer any right to dividends.

6.3 *Notice of new issue*

The Company must give an optionholder, in accordance with the ASX Listing Rules, notice of:

- (a) the proposed terms of the issue or offer proposed under clause 6; and
- (b) the right to exercise their options under clause 6.

6.4 *Bonus issues*

If the Company makes a bonus issue of shares or other securities to shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no share has been issued in respect of the option before the record date for determining entitlements to the issue, then the number of underlying shares over which the option is exercisable is increased by the number of shares which the optionholder would have received if the optionholder had exercised the option before the record date for determining entitlements to the issue.

6.5 *Pro rata issues*

If the Company makes a pro rata issue of shares (except a bonus issue) to existing shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no share has been issued in respect of the option before the record date for determining entitlements to the issue, the exercise price of each option is reduced in accordance with the ASX Listing Rules.

6.6 Reorganisation

- (a) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the optionholder (including the number of options to which each optionholder is entitled to and the exercise price) is changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (b) Any calculations or adjustments which are required to be made under this clause will be made by the board of directors of the Company and will, in the absence of manifest error, be final and conclusive and binding on the Company and the optionholder.

6.7 Calculations and adjustments

Any calculations or adjustments which are required to be made under clause 0 will be made by the Board of the Company and will, in the absence of manifest error, be final and conclusive and binding on the Company and the optionholder.

6.8 Notice of change

The Company must within a reasonable period give to each optionholder notice of any change under clause 6 to the exercise price of any options held by an optionholder or the number of shares which the optionholder is entitled to subscribe for on exercise of an option.

Method of exercise of options

7.1 Method and payment

To exercise options, the optionholder must give the Company or its share registry, at the same time:

- (a) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of options being exercised and shares to be issued;
- (b) payment of the exercise price for the shares the subject of the exercise notice by way of bank cheque or by other means of payment approved by the Company; and
- (c) the certificate for the options.

7.2 Exercise all or some options

- (a) An optionholder may only exercise options in multiples of 100, unless the optionholder exercises all of the options held by that optionholder.
- (b) Options will be deemed to have been exercised on the date the application is lodged with the directors of the Company.

7.3 Securities trading policy

If the optionholder is subject to any securities trading policy adopted by the Company from time to time, the optionholder may only exercise the options in accordance with, and subject to any restrictions or blackout periods, provided for in that policy.

7.4 Option certificates

If an optionholder exercises less than the total number of options registered in the optionholder's name:

- (a) the optionholder must surrender their option certificate (if any); and
- (b) the Company must cancel the option certificate (if any) and issue the optionholder a new option certificate or holding statement stating the remaining number of options held by the optionholder.

7.5 Issue of shares

Within 10 days after receiving an application for exercise of options and payment by an optionholder of the exercise price, the Company must issue the optionholder the number of fully paid ordinary shares in the capital of the Company specified in the application.

Ranking of shares issued on exercise of options

- 8. Subject to the Company's constitution, all shares issued on the exercise of options rank in all respects (including rights relating to dividends) *pari passu* with the existing ordinary shares of the Company at the date of issue.

Duties and taxes

9. Unless otherwise required by law or the ASX Listing Rules, the Company is not responsible for any duties or taxes that may become payable in connection with the issue of shares following exercise of, or in connection with any other dealing with, options.

Quotation

10. The Company:
- (a) Will not apply to ASX Limited for official quotation of the options.
 - (b) Will apply to ASX Limited for official quotation of the fully paid ordinary share(s) issued on exercise of options.

Governing law

11. These terms and the rights and obligations of optionholders are governed by the laws of Victoria. Each participant irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Victoria.

World Oil Resources Ltd

ABN 41 000 752 849

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

000002 000 WLRRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030

Proxy Form

For your vote to be effective it must be received by 12.00pm (AEDT) Tuesday 25 November 2014

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com



Review your securityholding



Update your securityholding

Your secure access information is:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



IND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of World Oil Resources Limited hereby appoint

☐

the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, 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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of World Oil Resources Limited to be held at the offices of Grant Thornton, The Rialto, Level 30, 525 Collins Street, Melbourne, Victoria 3000 on Thursday, 27th November 2014 at 12.00pm (AEDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 1 (except where I/we have indicated a different voting intention below) even though Item 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Item 1 by marking the appropriate box in step 2 below.

STEP 2

Items of Business



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

		For	Against	Abstain			For	Against	Abstain
Resolution 1	Adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 9	Ratify Share Issue - December 2013	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Elect Mr Peter Best as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 10	Ratify Share Issue - October 2014	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Consolidation of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 11	Approve issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approve issue of Director Options to Mr Paul Salter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 12	Future placement of Shares to Director - Mr Mordechai Benedikt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approve issue of Director Options to Mr Craig Mathieson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 13	Participation in Placement by Director - Mr Craig Mathieson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approve issue of Director Options to Mr Mordechai Benedikt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 14	Change of Company name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approve issue of Director Options to Mr Peter Best	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 15	Approve 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Ratify Share Issue - November 2013	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

_____ / _____ / _____

Date