



NOTICE OF ANNUAL GENERAL MEETING

**The Annual General Meeting of Forte Energy NL will be held at
Level 1, 330 Churchill Avenue, Subiaco, Western Australia
on Wednesday, 26 November 2014 at 9:00am (WST).**

This Notice and the accompanying Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on + 61 08 9322 4071

Shareholders are urged to attend or vote by lodging the Proxy Form attached to the Notice.

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Forte Energy NL (**Company**) will be held at Level 1, 330 Churchill Avenue, Subiaco Western Australia on Wednesday, 26 November 2014 at 9:00am (WST) (**Meeting**).

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

The Directors have determined pursuant to regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Monday, 24 November 2014 at 5:00pm (WST).

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

AGENDA

1. Annual Report

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2014, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. Resolution 1 – Adoption of Remuneration Report

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

"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

A vote on this Resolution must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (c) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- (d) the person is the Chairperson and the appointment of the Chairperson as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairperson to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Re-election of Director – Mr James Leahy

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

"That, pursuant to and in accordance with Rule 9.1(e) of the Constitution and for all other purposes, Mr James Leahy, Director, retires and being eligible pursuant to Rule 9.1(h) of the Constitution, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."

4. Resolution 3 – Ratification of Issue of Shares to Darwin Strategic Limited

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

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 192,307,692 Shares to Darwin Strategic Limited on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Darwin and any of Darwin’s associates.

The Company will not disregard a vote if:

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

5. Resolution 4 – Ratification of Grant of Warrants to Darwin Strategic Limited

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

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the grant of 60,692,308 Warrants to Darwin Strategic Limited on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Darwin and any of Darwin’s associates.

The Company will not disregard a vote if:

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

BY ORDER OF THE BOARD



Murray Wylie
Company Secretary

Dated: 23 October 2014



1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 1, 300 Churchill Avenue, Subiaco, Western Australia on Wednesday, 26 November 2014 at 9:00am (WST).

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

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

Section 2:	Action to be taken by Shareholders
Section 3:	Annual Report
Section 4:	Resolution 1 – Adoption of Remuneration Report
Section 5:	Resolution 2 – Re-election of Director – Mr James Leahy
Section 6:	Resolution 3 – Ratification of Issue of Shares to Darwin Strategic Limited
Section 7:	Resolution 4 – Ratification of Grant of Warrants to Darwin Strategic Limited
Schedule 1:	Definitions
Schedule 2:	Summary of Terms and Conditions of Warrants

A Proxy Form is located at the end of the Notice.

2. Action to be taken by Shareholders

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

2.1. Proxies

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

Please note that:

- (a) a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a Shareholder; and
- (c) a Shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 9:00am (WST) on Monday, 24 November 2014, being at least 48 hours before the Meeting

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

2.2. Form of Instruction and CREST – Depositary Interests

Depositary Interest Holders are not entitled to vote at the Meeting. In order to have votes cast at the Meeting on their behalf, Depositary Interest Holders must complete, sign and return the Form of Instruction enclosed with this Notice to the Company's agent, Computershare UK, no later than 9:00am (UK time) on Friday, 21 November 2014.

Depositary Interest Holders in CREST may transmit voting instructions by utilising the CREST voting service in accordance with the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf.

In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (a **CREST Voting Instruction**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com/CREST).

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company's agent (3RA50) no later than 9:00am (UK time) on Friday, 21 November 2014. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST. Depositary Interest Holders in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the Depositary Interest Holder concerned to take (or, if the Depositary Interest Holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by any particular time. In this connection, Depositary Interest Holders and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

2.3. Voting Prohibition by Proxy Holders (Remuneration of Key Management Personnel)

A vote on Resolution 1 must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on Resolution 1, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on Resolution 1; or
- (b) the person is the Chairperson and the appointment of the Chairperson as proxy does not specify the way the proxy is to vote on Resolution 1, but expressly authorises the Chairperson to exercise the proxy even if Resolution 1 is connected with the remuneration of a member of the Key Management Personnel.



3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2014.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <http://www.forteenergy.com.au>;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the Auditor questions about the conduct of the audit and the preparation and contents of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairperson about the management of the Company, or to the Auditor about:

- (a) the preparation and contents of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out:

- (a) the Company's remuneration policy; and
- (b) the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Pursuant to the Corporations Act, Shareholders will have the opportunity to remove the whole Board except the Managing Director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

If a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting, a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the Company's 2013 annual general meeting. If the Remuneration Report receives a Strike at the Meeting, Shareholders should be aware that if a second Strike is received at the Company's 2015 annual general meeting, this may result in the re-election of the Board.

The Chairperson will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

Resolution 1 is an ordinary Resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 1.

If the Chairperson is appointed as your proxy and you have not specified the way the Chairperson is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairperson with an express authorisation for the Chairperson to vote the proxy in accordance with the Chairperson's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

5. Resolution 2 – Re-election of Director – Mr James Leahy

Rule 9.1(e) of the Constitution requires that one third of the Directors must retire at each AGM (rounded down to the nearest whole number).

Rule 9.1(h) of the Constitution provides that a Director who retires under Article 6.3(c) of the Constitution is eligible for re election.

Resolution 2 therefore provides that Mr James Leahy retires by rotation and seeks re election as a Director.

Details of Mr James Leahy's qualifications and experience are set out in the Annual Report.

Resolution 2 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 2.

The Board (excluding Mr James Leahy) unanimously supports the re-election of Mr James Leahy as a Director.

6. Resolution 3 – Ratification of Issue of Shares to Darwin Strategic Limited

6.1. Background

On 14 October 2014, the Company and Darwin entered into a transaction agreement relating to:

- (a) the subscription by Darwin of the Shares in exchange for redeemable subscription notes to be issued by Darwin; and
- (b) the issue of Warrants,

(such agreement, the Transaction Agreement).

On 14 October 2014, pursuant to the Transaction Agreement:

- (a) the Company and Darwin entered into a subscription agreement pursuant to which Darwin subscribed for and the Company issued to Darwin, 192,307,692 Shares at £0.0026 per Share in exchange for the issue by Darwin to the Company 500,000 redeemable subscription notes of £1.00 each (Darwin Notes); and
- (b) the Company and Darwin entered into a warrant deed pursuant to which the Company granted 60,692,308 Warrants to Darwin.

Refer to the Company's announcement of 14 October 2014 for further details.



Material terms of the Darwin Notes are as follows:

- (a) the Darwin Notes rank equally with all other unsecured obligations of Darwin for the due and punctual payment of the principal in respect of them;
- (b) the Company may at any time on or before the third anniversary of the Admission Date, provide Darwin with written notice (Swap Notice) requiring the Company to sell a specified number of Shares (the subject of Resolution 3) at a price not less than the minimum price stated in the Swap Notice;
- (c) the number of Shares subject to a Swap Notice must not be less than 4,000,000 unless Darwin holds less than 4,000,000 Shares at the relevant time, in which case all of the remaining Shares held by Darwin must be subject to the one Swap Notice;
- (d) Darwin undertakes that it will only sell the Shares (the subject to Resolution 3) on commercially reasonable arms' length terms taking into account the then prevailing market price of the Shares;
- (e) in respect to Shares sold pursuant to a Swap Notice, Darwin will redeem a portion of the outstanding amount of the Darwin Notes equal to the Redemption Amount by payment to the Company of an amount equal to the MSP; and
- (f) in the event that Darwin holds any Shares (the subject of Resolution 3) after the third anniversary of the Admission Date, Darwin will use reasonable endeavours to sell such Shares on or before the expiry of the Extraordinary Settlement Period.

6.2. Listing Rule 7.1 and Listing Rule 7.4

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

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1.

The effect of passing Resolution 3 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 3 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 3.

6.3. Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, the following information is provided in relation to the Shares issued to Darwin:

- (a) The Company issued 192,307,692 Shares to Darwin on 14 October 2014.
- (b) The Shares were issued to Darwin at £0.0026 per Share (approximately A\$0.0047 per Share based on GBP/AUD of 1.8219 on 16 October 2014) for a total consideration of approximately £500,000 (before costs) in exchange for the Darwin Notes.
- (c) The Shares issued to Darwin were all fully paid ordinary shares in the capital of the Company and were issued on the same terms and conditions as the Company's existing Shares.
- (d) No funds were raised by the issue of the Shares to Darwin as they were issued in exchange for the Darwin Notes.
- (e) Darwin is not a related party or an associate of a related party of the Company.
- (f) A voting exclusion statement is included in the Notice for Resolution 3.

6.4. Directors Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

7. Resolution 4 – Ratification of Grant of Warrants to Darwin Strategic Limited

7.1. Background

Refer to Section 6.1.

7.2. Listing Rule 7.1 and Listing Rule 7.4

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

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1.

The effect of passing Resolution 4 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 4 is an ordinary resolution.

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

7.3. Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, the following information is provided in relation to the Warrants issued to Darwin:

- (a) The Company granted 60,692,308 Warrants to Darwin on 14 October 2014.
- (b) The Warrants were granted to Darwin for no cash consideration.
- (c) The Warrants granted to Darwin are exercisable at £0.0032 each (approximately A\$0.0058 per Share based on GBP/AUD of 1.8219 on 16 October 2014) and otherwise on the terms and conditions set out in Schedule 2.
- (d) No funds were raised by the grant of the Warrants to Darwin as they are granted for no cash consideration.
- (e) Darwin is not a related party or an associate of a related party of the Company.
- (f) A voting exclusion statement is included in the Notice for Resolution 4.

7.4. Directors Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.



SCHEDULE 1 - DEFINITIONS

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

\$	means Australian Dollars.
Admission Date	means 17 October 2014, being the date on which the Shares issued to Darwin, the subject of Resolution 3, were admitted to trade on AIM
AIM	means the Alternative Investment Market operated by the London Stock Exchange.
Annual Report	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2014.
ASX	means the ASX Limited ABN 98 008 624 691 and where the context requires, the Australian Securities Exchange operated by ASX Limited.
Auditor	means the Company's auditor from time to time, at the date of the Notice, being EY.
Auditor's Report	means the Auditor's report on the Financial Report.
Board	means the board of Directors of the Company.
Chairperson	means the person appointed to chair the Meeting convened by the Notice.
Closely Related Party	means in relation to a member of a Key Management Personnel: (a) a spouse or child of the member; or (b) has the meaning given in section 9 of the Corporations Act.
Company means	Forte Energy NL ACN 009 087 852.
Constitution	means the constitution of the Company as at the commencement of the Meeting.
Corporations Act	means the Corporations Act 2001 (Cth).
CREST	means the UK's system for paperless settlement of trade and the holding of uncertificated securities administered by Euroclear UK & Ireland Limited.
CREST Voting Instruction	has the meaning given to that term in Section 2.2
Darwin	means Darwin Strategic Limited, a company registered in England and Wales under number 07069758.
Darwin Notes	has the meaning given to that term in Section 6.1.
Director	means a director of the Company.
Directors' Report	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
Depository	means Computershare Investor Service PLC
Depository Interest Holders	means the holders of Depository Interests
Depository Interests	means the depository interests issued by the Depository representing the Shares on a one-for-one basis.
Explanatory Memorandum	means this explanatory memorandum which forms part of the Notice.
Extraordinary Settlement Period	means a period that is "X" Trading Days commencing on the Trading Day immediately following the third anniversary of the Admission Date, with "X": (a) calculated by the number of Shares (the subject of Resolution 3) held by Darwin on the day following the third anniversary of the Admission Date (if any) multiplied by 5 and then divided by the 6 month average daily volume of Shares traded on AIM on the third anniversary of the Admission Date as calculated by reference to information reported by Bloomberg (save that such average may not be less than 1); or (b) being a period that the Company and Darwin may otherwise agree.
Financial Report	means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

SCHEDULE 1 - DEFINITIONS

ABN 009 087 852

Form of Instruction	means the voting form for Depository Interest Holders
IMP	means £0.0027.
Key Management Personnel	means 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.
Listing Rules	means the listing rules of ASX.
Managing Director	means the managing director of the Company.
Meeting	has the meaning given to that term in the introductory paragraph of the Notice.
MSP	means the aggregate net sale price of Shares sold pursuant to a Swap Notice, which will be final and binding on the Company in the absence of manifest error.
Notice	means the notice of the Meeting and includes the agenda, this Explanatory Memorandum and the Proxy Form.
Proxy Form	means the proxy form attached to the Notice.
Redemption Amount	means the number of Shares sold pursuant to a Swap Notice multiplied by IMP.
Remuneration Report	means the remuneration report of the Company contained in the Directors' Report.
Resolution	means a resolution in the Notice.
Schedule	means a schedule to this Explanatory Memorandum.
Section	means a section of this Explanatory Memorandum.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a registered holder of a Share.
Strike	has the meaning given to that term in Section 4.
Swap Notice	has the meaning given to that term in Section 6.1.
Trading Day	means any day on which the Shares are traded on AIM except any day on which: <ul style="list-style-type: none"> (a) the Shares are scheduled to trade for less than 4.5 hours; or (b) trading of the Shares is suspended during the final hour of trading.
Transaction Agreement	has the meaning given to that term in Section 6.1.
Warrant	means an unlisted warrant over a Share, the key principal terms of which are detailed in Schedule 2.
WST	means Western Standard Time, being the time in Perth, Western Australia.



SCHEDULE 2 - SUMMARY OF TERMS AND CONDITIONS OF WARRANTS

Summary of the key principal terms of the Warrants issued to Darwin are as follows:

Number of Warrants	60,692,308
Premium	Nil
Amount Raised	Nil
Warrant Shares	60,692,308 fully paid ordinary shares in the Company which will rank equally with the Company's ordinary shares on issue
Warrant Price	£0.0032 per share
Expiry Date	Period commencing on the Admission Date and ending on the 5th anniversary of the Admission Date. Any Warrant not exercised by the Expiry Date will lapse.
Exercise Period	At any time before the Expiry Date in respect of all or any of the Warrant Shares by not less than 5 Trading Days' written notice to the Company. In the event that the holder exercises a Warrant in respect of only some of the Warrant Shares, the holder will have the right to exercise the Warrant over any remaining Warrant Shares at any time before the Expiry Date.
Quotation	The Warrants will not be quoted on ASX or any other stock exchange. The Company will, on the business day upon which any Warrant Shares are issued, apply to the London Stock Exchange plc for those Warrant Shares to be admitted to trading on AIM.
Adjustments	<p>If during the Exercise Period, by reason of any consolidation or other share reorganisation, there is a change in the number of Shares issued (Reorganisation):</p> <ul style="list-style-type: none"> the Warrant Price must be adjusted by the following formula: $\frac{\text{Warrant Price pre-Reorganisation} \times \# \text{ Shares pre-Reorganisation}}{\# \text{ Shares post-Reorganisation}}$ the number of Warrant Shares pre-Reorganisation must be adjusted by the following formula: $\frac{\text{Warrant Shares pre-Reorganisation} \times \# \text{ Shares post-Reorganisation}}{\# \text{ Shares pre-Reorganisation}}$ <p>In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Warrant holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital at the time of the reconstruction.</p> <p>If the Company makes a bonus issue of Shares or other securities to Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):</p> <ul style="list-style-type: none"> the number of Warrant Shares which must be issued on the exercise of a Warrant will be increased by the number of Shares which the holder would have received if the holder had exercised the Warrant before the record date for the bonus issue; and no change will be made to the Warrant Price.

SCHEDULE 2 - SUMMARY OF TERMS AND CONDITIONS OF WARRANTS

ABN 009 087 852

Adjustments

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

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

Where:

O = the old Warrant Price.

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

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

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

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

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

Assignment

The holder is entitled to transfer, assign, charge and otherwise encumber a Warrant provided the holder gives the Company prior written notice.

Governing Law

The Warrant is governed by the laws of England and Wales.



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PROXY FORM

ABN 009 087 852

The Company Secretary
Forte Energy NL

By delivery:

Suite 3, Level 3 1292 Hay Street
West Perth WA 6005

By post:

GPO Box 2870
West Perth WA 6872

By facsimile:

+618 9322 4073

Name of Shareholder:

Address of Shareholder:

Number of Shares entitled to vote:

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

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

Step 1 – Appoint a Proxy to Vote on Your Behalf

The Chairman
of the
Meeting
(mark box)

☐

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairperson, as my/our proxy to act generally at the Meeting on my/our behalf to be held at Level 1, 300 Churchill Avenue, Subiaco, Western Australia on Wednesday, 26 November 2014 at 9:00am (WST) and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit, except for Resolution 1). If 2 proxies are appointed, the proportion or number of votes that this proxy is authorised to exercise is []% of the Shareholder's votes / [] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request).

Important – If the Chairperson is your proxy or is appointed your proxy by default

The Chairperson intends to vote all available proxies in favour of Resolution 1. If the Chairperson is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolution 1, you will be expressly authorising the Chairperson to vote in accordance with the Chairperson's voting intentions on Resolution 1 even if Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel

Step 2 – Instructions as to Voting on Resolutions

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

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mr James Leahy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Issue of Shares to Darwin Strategic Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Grant of Warrants to Darwin Strategic Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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



PROXY FORM

Authorised signature/s

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

Individual or Shareholder 1

Sole Director and Sole
Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹Insert name and address of Shareholder

²Insert name and address of proxy

*Omit if not applicable

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

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

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

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

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

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

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

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Perth office of the Company (Suite 3, Level 3, 1292 Hay Street, West Perth, WA, 6005, or by post to GPO Box 2870, Perth, WA, 6872 or Facsimile (08) 9322 4073 if faxed from within Australia or +618 9322 4073 if faxed from outside Australia) not less than 48 hours prior to the time of commencement of the Meeting (WST).