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**Sunbird Energy Limited**

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**NOTICE OF ANNUAL GENERAL MEETING**

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**The Annual General Meeting of the Company will be held at Level 1,  
50 Ord Street, West Perth, Western Australia on Friday, 28 November  
2014 commencing at 2:00pm (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 6322.***

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

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the annual general meeting of Shareholders of Sunbird Energy Limited (**Company**) will be held at Level 1, 50 Ord Street, West Perth, Western Australia on Friday, 28 November 2014 commencing at 2:00pm (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 Wednesday, 26 November 2014 at 5:00pm (WST).

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

## **AGENDA**

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### **1. Annual Report**

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

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### **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:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; 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 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.

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### **3. Resolution 2 – Re-election of Director – Andrew Leibovitch**

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 14.4 and Article 6.3(b) of the Constitution and for all other purposes, Andrew Leibovitch, Director, retires and being eligible pursuant to Article 6.3(f) of the Constitution, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."*

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### **4. Resolution 3 – Re-election of Director – Kerwin Rana**

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 14.4 and Article 6.3(b) of the Constitution and for all other purposes, Kerwin Rana, Director, retires and being eligible pursuant to Article 6.3(f) of the Constitution, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."*

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### **5. Resolution 4 – Ratification of Tranche 1 Shares**

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 prior issue of 20,367,127 Shares to Vandasias Investments Limited on the terms and conditions in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by Vandasias and any Vandasias'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.

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## 6. Resolution 5 – Approval of Additional 10% Placement Capacity

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

*"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."*

### Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Capacity and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons).

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.

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## 7. Resolution 6 – Approval of Umbono Conversion Rights

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 7.1 and for all other purposes, Shareholders approve the issue of the Umbono Conversion Rights, which includes the issue to Umbono, upon the exercise of the Umbono Conversion Rights, such number of Shares in accordance with the Umbono Conversion Rights and otherwise on the terms and conditions in the Explanatory Memorandum."*

### Voting Exclusion

The Company will disregard any votes cast on this Resolution by Umbono (and any of Umbono's associates) and a person who might obtain a benefit, except a benefit solely in their capacity as a holder of Shares, if this Resolution is passed, or an associate of that person.

However, the Company will not disregard a vote if:

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

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## 8. Resolution 7 – Approval of the Assignees Conversion Rights and Issue of Assignees Shares

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

*"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of the Assignees Conversion Rights, which includes the issue to the Assignees, upon the exercise by the Assignees of the Assignees Conversion Rights, such number of Shares in accordance with the Assignees Conversion Rights and otherwise on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

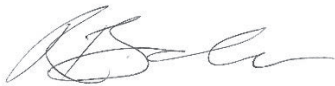
The Company will disregard any votes cast on this Resolution by the Assignees (and any associates of the Assignees) and a person who might obtain a benefit, except a benefit solely in their capacity as a holder of Shares, if this Resolution is passed, or an associate of that person.

However, the Company will not disregard a vote if:

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

Dated: 23 October 2014

**BY ORDER OF THE BOARD**



Richard Barker  
**Company Secretary**

## **EXPLANATORY MEMORANDUM**

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### **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, 50 Ord Street, West Perth, Western Australia on Friday, 28 November 2014 commencing at 2:00pm (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 –Andrew Leibovitch
Section 6:	Resolution 3 – Re-election of Director –Kerwin Rana
Section 7:	Resolution 4 – Ratification of Tranche 1 Shares
Section 8:	Resolution 5 – Approval of Additional 10% Placement Capacity
Section 9:	Resolution 6 – Approval of Umbono Conversion Rights and Issue of Umbono Shares
Section 10:	Resolution 7 – Approval of Assignee Conversion Rights and Issue of Assignee Shares
Schedule 1:	Definitions
Schedule 2:	Listing Rule 7.3A.6 Disclosure

A Proxy Form is located at the end of this Explanatory Memorandum.

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### **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 2:00pm (WST) on Wednesday 26 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 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 this Resolution; 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 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.

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## **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 [www.sunbirdenergy.com](http://www.sunbirdenergy.com)
- (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.

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## 4. Resolution 1 – Adoption of 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.

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## **5. Resolution 2 – Re-election of Director – Andrew Leibovitch**

In accordance with Listing Rule 14.4 and Article 6.3(b) of the Constitution, a Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment, or 3 years, whichever is longer.

Article 6.3(f) of the Constitution provides that a Director who retires under Article 6.3(b) of the Constitution is eligible for re-election.

Mr Andrew Leibovitch was appointed on 17 May 2011. Resolution 2 therefore provides that Mr Andrew Leibovitch retires from office and seeks re-election as a Director.

Details of Mr Andrew Leibovitch's background 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 Andrew Leibovitch) supports the re-election of Mr Andrew Leibovitch to the Board and recommends that Shareholders vote in favour of Resolution 2.

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## **6. Resolution 3 – Re-election of Director – Kerwin Rana**

In accordance with Listing Rule 14.4 and Article 6.3(b) of the Constitution, a Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment, or 3 years, whichever is longer.

Mr Kerwin Rana was appointed on 12 October 2011. Resolution 3 therefore provides that Mr Kerwin Rana retires from office and seeks re-election as a Director.

Details of Mr Kerwin Rana's background and experience are set out in the Annual Report.

Resolution 3 is an ordinary resolution.

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

The Board (excluding Mr Kerwin Rana) supports the re-election of Mr Kerwin Rana to the Board and recommends that Shareholders vote in favour of Resolution 3.

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## 7. Resolution 4 – Ratification of Tranche 1 Shares

### 7.1 Background

On 9 September 2014, the Company announced:

- (a) that the Company and Vandasias entered into a subscription agreement on 8 September 2014 (**Subscription Agreement**); and
- (b) the subscription by Vandasias of 20,367,127 Shares for an aggregate subscription amount of US\$5,000,000 (**Tranche 1 Shares**) pursuant to the Subscription Agreement.

The number of Tranche 1 Shares that were issued pursuant to the Company's 15% annual placement capacity under Listing Rules 7.1 was 17,448,750 and the number of Tranche 1 Shares that were issued pursuant to the Company's additional 10% annual placement capacity under Listing Rules 7.1A was 2,918,377.

### 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.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Shares.

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 Tranche 1 Shares:

- (a) The Company issued 20,367,127 Tranche 1 Shares to Vandasias on 8 October 2014. Vandasias is not a related party or an associate of related parties of the Company.
- (b) The Company issued the Tranche 1 Shares for an aggregate amount of US\$5,000,000 (approximately A\$0.28 per Share) based on exchange rates at time of receipt of funds).
- (c) The Tranche 1 Shares 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) The funds from the issue of the Tranche 1 Shares will be used to help drive commercialisation and development of the Ibhubesi Gas Project.
- (a) 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.

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# **8. Resolution 5 - Approval of Additional 10% Placement Capacity**

## **8.1 General**

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 Capacity**). The 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of 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. The Company is an eligible entity.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Capacity. The number of Equity Securities to be issued under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 8.2(c) below).

Resolution 5 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).

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

## **8.2 Listing Rule 7.1A**

### **(a) Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Capacity 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 Capacity must be in the same class as an existing quoted class of Equity Securities of the company.

As at the date of the Notice, the Company has on issue Shares and Convertible Securities.

### **(c) Formula for calculating 10% Placement Capacity**

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:

- (A) plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of Shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of Shares under the entity's 15% placement capacity without Shareholder approval;
- (D) less the number of Shares cancelled in the 12 months.

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

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

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

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

At the date of the Notice, the Company has on issue 136,692,127 Shares and therefore has a capacity to issue:

- (i) subject to obtaining Shareholder approval being sought under Resolution 4, 20,503,819 Equity Securities under Listing Rule 7.1; and
- (ii) subject to obtaining Shareholder approval being sought under Resolution 5, 13,669,212 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 8.2(c) above).

**(e) Minimum Issue Price**

The issue price of Equity Securities issued under 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 described in Section 8.2(e)(i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Capacity under 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 Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

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

### **8.3 Listing Rule 7.1A**

The effect of Resolution 5 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

### **8.4 Specific information required by Listing Rule 7.3A**

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a) 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 described in Section 8.4(a)(i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, 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.
- (c) The table below 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 Listing Rule 7.1A(2) as at the date of the Notice.

(d) The table also shows:

- (i) 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 Listing Rule 7.1 that are approved at a future general meeting; and
- (i) 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		
		\$0.115 50% decrease in Issue Price	\$0.23 Issue Price	\$0.46 100% increase in Issue Price
<b>Current Variable A</b> 136,692,127 Shares	<b>10% Voting Dilution</b>	13,669,213 Shares	13,669,213 Shares	13,669,213 Shares
	<b>Funds raised</b>	\$1,571,959	\$ 3,143,919	\$6,287,838
<b>50% increase in current Variable A</b> 205,038,191 Shares	<b>10% Voting Dilution</b>	20,503,819 Shares	20,503,819 Shares	20,503,819 Shares
	<b>Funds raised</b>	\$ 2,357,939	\$4,715,878	\$9,431,757
<b>100% increase in current Variable A</b> 273,384,254 Shares	<b>10% Voting Dilution</b>	27,338,425 Shares	27,338,425 Shares	27,338,425 Shares
	<b>Funds raised</b>	\$3,143,919	\$6,287,838	\$12,575,676

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
- (ii) No Convertible Securities are converted into Shares before the date of the issue of the Equity Securities;
- (iii) 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%.
- (iv) 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 Capacity, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes Convertible Securities, it is assumed that those Convertible Securities are converted into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (vii) The issue price is \$0.23, being the closing price of the Shares on ASX on 16 October 2014.

(e) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under

Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking)).

- (f) 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 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 expenses associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets or general working capital.
- (g) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (h) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the subscribers 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).
- (i) The subscribers under the 10% Placement Capacity have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.
- (j) Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the subscribers under the 10% Placement Capacity will be the vendors of the new resources assets or investments.
- (k) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2012 and 2013 annual general meetings. In the 12 months preceding the date of the Meeting the Company issued a total of 20,942,127 Equity Securities which represents 18.1% of the total number of Equity Securities on issue 12 months prior to the date of the Meeting. The Equity Securities issued in the preceding 12 months are set out in Schedule 2.
- (l) A voting exclusion statement is included in the Notice for Resolution 5.

## **8.5 Directors Recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.



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## **9. Resolution 6 – Approval of Umbono Conversion Rights**

### **9.1 Background**

In August 2014, the Company entered into the Umbono Loan Deed with Umbono to secure a loan of up to A\$2,500,000. A summary of the terms and conditions of the Umbono Loan is set out below.

**(a) Loan Facility**

Umbono has provided the Company with a A\$2,500,000 loan facility which the Company may use to acquire services, including but not limited to capital raising fees, corporate finance and management services, from Umbono, Umbono Financial Services, or parties related to Umbono.

**(b) Security**

The Loan is secured by the Pretzavest Shares which will be released upon the repayment of the Umbono Secured Moneys.

**(c) Interest**

Interest is calculated daily and capitalised monthly in arrears on the Umbono Loan at 20% per annum.

**(d) Repayment**

The Company shall repay to Umbono on or before the Umbono Repayment Date the Umbono Secured Moneys.

**(e) Conversion Rights**

(i) Under the Umbono Loan Deed, subject to Shareholder approval, Umbono shall have the option to:

(A) at any time on or before the Umbono Repayment Date, elect to accept repayment of the whole or any part of the Umbono Secured Moneys, by conversion to equity in the Company by subscribing for Shares at A\$0.25 per Share;

(B) at any time within 20 Business Days of each of the Umbono Capital Raising Dates, to elect to accept the repayment of the whole or any part of the Umbono Secured Moneys advanced by Umbono, by conversion to equity and/or options in the Company by subscribing for Shares and/or options in the capital of the Company at the lesser of A\$0.25 per Share and the price per Share upon which the Company raises capital by way of equity in cleared funds in the period between 1 August 2014 and 1 August 2015; and

(C) at any time on or before the Umbono Repayment Date, elect to accept, subject to compliance with the applicable laws, repayment of the whole or part of the Umbono Secured Moneys by exercising any options held by Umbono, and utilising such part of the Umbono Secured Moneys towards the exercise price of the options.



- (ii) The Company has not and does not intend to conduct any capital raising during the period between 1 August 2014 and 1 August 2015 for an issue price of less than A\$0.25 per Share. Accordingly, approval under Resolution 6 is sought for the exercise of the Umbono Conversion Rights, with a conversion price of A\$0.25 per Share.

If the Company does conduct a capital raising in the period between the date of this Notice and 1 August 2015 which results in the conversion price of the Umbono Secured Moneys being less than A\$0.25 under the terms of the Umbono Loan Deed, the Company will seek additional Shareholder approval for the additional Shares issued to Umbono based on the lower conversion price.

(f) **Umbono Undertaking**

Umbono has entered into the Umbono Undertaking with the Company which provides that:

- (i) Umbono undertakes that during the Standstill Period it will not exercise its option to convert the whole or any part of the Umbono Secured Moneys to Shares its conversion right under the Umbono Loan Deed; and
- (ii) the Company undertakes that:
  - (A) it will not repay all or any part of the Umbono Loan during the Standstill Period or within 20 days following the end of the Standstill Period; and
  - (B) notwithstanding any terms of the Umbono Loan Deed, subject to obtaining Shareholder approval, Umbono may exercise the Umbono Conversion Rights within 20 days of the end of the Standstill Period.

## 9.2 General

Resolution 6 seeks Shareholder approval of for the issue of the Umbono Conversion Rights, which includes the issue to Umbono, upon the exercise by Umbono of the Umbono Conversion Rights, such number of Shares in accordance with the Umbono Conversion Rights (**Umbono Shares**).

Umbono or its associates are not a related party or an associate of a related party of the Company.

Resolution 6 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 6.

## 9.3 Listing Rule 7.1

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.

The effect of Resolution 6 will be to allow the Directors to issue the Umbono Conversion Rights, which includes the issue of the Umbono Shares upon the exercise by Umbono of

the Umbono Conversion Rights, without using the Company's 15% annual placement capacity.

#### **9.4 Specific information required by Listing Rule 7.3**

In accordance with Listing Rule 7.3, the following information is provided in relation to the Umbono Conversion Rights:

- (b) The maximum number of Umbono Shares to be issued upon the exercise of the Umbono Conversion Rights will be calculated in accordance with the following formula:

$$\frac{\text{Umbono Secured Moneys being converted}}{\text{A\$0.25 per Share}}$$

- (e) The Umbono Conversion Rights will be issued no later than 3 months after the date of the Meeting.
- (f) The Umbono Shares, issued upon the exercise of the Umbono Conversion Rights, will be issued at A\$0.25 per Share.
- (g) The Umbono Conversion Rights will be issued to Umbono or its associates.
- (h) The Umbono Shares, issued upon the exercise of the Umbono Conversion Rights, will be fully paid ordinary shares in the capital of the Company and will be issued on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares on issue.
- (i) The proceeds from the issue of the Umbono Shares, upon the exercise of the Umbono Conversion Rights, will be used to repay the existing Umbono Loan owed by the Company.
- (j) A voting exclusion statement is included in the Notice for Resolution 6.

#### **9.5 Directors Recommendation**

The Directors believe that Resolution 6 is in the best interests of the Company and its Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 6.

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## **10. Resolution 7 – Approval of Assignees Conversion Rights**

### **10.1 Background**

In February 2014, the Company entered into the White Swan Loan Deed, which was subsequently varied in May 2014 by the Deed of Assignment Variation to secure a loan of up to A\$5,000,000 with the Assignees. A summary of the Assignees Loan is set out below.

(a) **Loan Facility**

Pursuant to the White Swan Loan Deed, White Swan provided a A\$5,000,000 loan facility to the Company, structured into five equal tranches of A\$1,000,000. White Swan subsequently assigned the whole of it's right, title, interest, duties and obligations under the loan facility to the Assignees pursuant to the Deed of Assignment and Variation.

(b) **Interest**

Interest is calculated daily and capitalised monthly in arrears on the Assignees Loan at 20% per annum.

(c) **Repayment**

The Company shall repay the Assignees on or before the Assignees Repayment Date the Assignees Secured Moneys.

(d) **Conversion Rights**

(i) Under the terms of the Deed of Assignment and Variation each of the Assignees shall have the option to:

- (A) elect to accept repayment of the whole or any part of the Assignees Secured Moneys, by conversion to equity in the Company by subscribing for Shares at A\$0.25 per share; and
- (B) at any time within 20 Business Days of each of the Assignees Capital Raising Dates by notice in writing to the Company, elect to accept the repayment of the whole or any part of the Assignees Secured Moneys by conversion to equity in the Company through the subscription of Shares at the lesser of A\$0.25 per share and the price per share upon which the Company raises capital by way of equity in cleared funds in the period between 10 March 2014 and 10 March 2015.

(i) The Company has not and does not intend to conduct any capital raising during the period between 10 March 2014 and 10 March 2015 for an issue price of less than A\$0.25 per Share. Accordingly, approval under Resolution 7 is sought for the exercise of the Assignees Conversion Rights, with a conversion price of A\$0.25 per Share.

If the Company does conduct a capital raising in the period between the date of this Notice and 10 March 2015 which results in the conversion price of the Assignees Secured Moneys being less than A\$0.25 under the terms of the Deed of Assignment and Variation, the Company will seek additional Shareholder approval for the additional Shares issued to the Assignees based on the lower conversion price.

(e) **Assignees Undertaking**

The Assignees have entered into the Assignees Undertaking which provides that:

- (i) the Assignees undertake that during the Standstill Period they will not exercise their option to convert the whole or any part of the Assignees Secured Moneys to Shares pursuant to their conversion rights under the Deed of Assignment and Variation (**Assignees Conversion Rights**); and
- (ii) the Company undertakes that:
  - (A) it will not repay all or any part of the Assignees Loan during the Standstill Period or within 20 days following the end of the Standstill Period; and

- (B) notwithstanding any terms of the White Swan Loan Deed or the Deed of Assignment and Variation, subject to obtaining Shareholder approval, the Assignees may exercise the Assignees Conversion Rights within 20 days of the end of the Standstill Period.

## 10.2 General

Resolution 7 seeks Shareholder approval for the issue of the Assignees Conversion Rights, which includes the issue to the Assignees, upon the exercise by the Assignees of the Assignees Conversion Rights, such number of Shares in accordance with the Assignees Conversion Rights (**Assignees Shares**).

The Assignees or their associates are not related parties or associates of a related party of the Company.

Resolution 7 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 7.

## 10.3 Listing Rule 7.1

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

The effect of Resolution 7 will be to allow the Directors to issue the Assignees Conversion Rights, which includes the issue of the Assignee Shares upon the exercise by the Assignees of the Assignees Conversion Rights without using the Company's 15% annual placement capacity.

## 10.4 Specific Information required by Listing Rule 7.3

In accordance with Listing Rule 7.3, the following information is provided in relation to the Assignees Conversion Rights:

- (a) The maximum number of Assignees Shares to be issued upon the exercise of the Assignees Conversion Rights will be calculated in accordance with the following formula:

$$\frac{\text{Assignees Secured Moneys being converted}}{\text{A\$0.25 per Share}}$$

- (b) The Assignees Conversion Rights will be issued no later than 3 months after the date of the Meeting.
- (k) The Assignees Shares, issued upon the exercise of the Assignees Conversion Rights, will be issued at A\$0.25 per Share.
- (c) Upon exercise of the Assignees Conversion Rights, the Assignees Shares will be issued to the Assignees, being the following:
  - (i) White Swan;
  - (ii) TJMW Holdings Pty Ltd;
  - (iii) YREBA Investments Pty Ltd;

- (iv) Philip John Roberts and Susan Beryl Roberts;
  - (v) Ian Howard Brackenridge and Margaret Rose Elizabeth Brackenridge;
  - (vi) Ernesta Holdings Pty Ltd;
  - (vii) Kent Jason Swick and Tanya Michelle Swick;
  - (viii) Galant Nominees Pty Ltd;
  - (ix) Yulakin Gully Pty Ltd;
  - (x) Hazeldine Superannuation Pty Ltd; and/or
  - (xi) Geoffrey Michael Ward and Suzanne Rebecca Bertrand.
- (d) The Assignees Shares, issued upon the exercise of the Assignees Conversion Rights, will be fully paid ordinary shares in the capital of the Company and will be issued on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares on issue.
  - (e) The proceeds from the issue of the Assignees Shares, upon the exercise of the Assignees Conversion Rights, will be used to repay the existing Assignees Loan owed by the Company.
  - (l) A voting exclusion statement is included in the Notice for Resolution 7.

## **10.5 Directors Recommendation**

The Directors believe that Resolution 7 is in the best interests of the Company and its Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 7.

## Schedule 1 – Definitions

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

**\$** means Australian Dollars.

**10% Placement Capacity** has the meaning given to that term in Section 8.1.

**10% Placement Period** has the meaning given in Section 8.2(f).

**Ankerlig Power Station** means the power station operated by Eskom SOC Limited located at Atlantis Industrial Area in the Western Cape, South Africa.

**Annual Report** means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2014.

**Assignees** means collectively:

- (a) White Swan;
- (b) TJMW Holdings Pty Ltd;
- (c) YREBA Investments Pty Ltd;
- (d) Philip John Roberts and Susan Beryl Roberts;
- (e) Ian Howard Brackenridge and Margaret Rose Elizabeth Brackenridge;
- (f) Ernesta Holdings Pty Ltd;
- (g) Kent Jason Swick and Tanya Michelle Swick;
- (h) Galant Nominees Pty Ltd;
- (i) Yulakin Gully Pty Ltd;
- (j) Hazeldine Superannuation Pty Ltd; and/or
- (k) Geoffrey Michael Ward and Suzanne Rebecca Bertrand.

**Assignees Capital Raising Dates** means each of the dates in the period between 10 March 2014 and 10 March 2015 when the Company receives new capital in cleared funds.

**Assignees Conversion Rights** has the right of the Assignees to convert the whole or any part of the Assignees Secured Moneys to Shares at A\$0.25 per Share pursuant to the terms of the Deed of Assignment and Variation.

**Assignees Loan** means the amount of up to A\$5,000,000 drawn down by the Company from the Assignees from time to time, pursuant to the White Swan Loan Deed and Deed of Assignment and Variation.

**Assignees Repayment Date** means the date being 12 months following the date of receipt by the Company in cleared funds of the first draw down of the A\$5,000,000 or such earlier date as an event of default occurs.

**Assignees Secured Moneys** means the aggregate of the Assignees Loan and interest all other moneys, if any, due to or recoverable by the Assignees from the Company pursuant to the Loan Deed and Deed of Assignment and Variation.

**Assignees Shares** has the meaning given to that term in Section 10.2.

**Assignees Undertaking** means the deed of undertaking dated 12 September 2014 between the Assignees and the Company pursuant to which the Assignees undertake that during the Standstill Period they will not exercise their option to convert the whole or any part of the Assignees Secured Moneys to Shares.

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

**Auditor** means the Company's auditor from time to time, at the date of the Notice, being BDO Audit (WA) Pty Ltd.

**Auditor's Report** means the Auditor's report on the Financial Report.

**Board** means the board of Directors.

**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 Sunbird Energy Limited (ACN 150 956 773).

**Constitution** means the constitution of the Company as at the commencement of the Meeting.

**Convertible Security** means a security of the Company which is convertible into Shares.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Deed of Assignment and Variation** means the deed of assignment and variation dated May 2014 between the Company as borrower, Sunbird Energy (IBHUBESI) Pty Ltd as substitute grantor, White Swan as original lender and the Assignees as assignees.

**Deed of Variation** means the deed of variation dated 5 March 2014 between the Company as borrower, Whiteswan as lender, Sunbird Energy (IBHUBESI) Pty Ltd as substitute grantor and Anschutz South Africa Corporation as release grantor.

**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.

**Equity Security** has the meaning given to that term in the Listing Rules.

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

**GSA Term Sheet** means the term sheet between Company or Ibhubesi Gas Project and Eskom SOC Limited regarding the supply of gas to the Ankerlig Power Station which includes a term



providing for the right to negotiate an agreement for an Early Gas supply solution with Eskom SOC Limited.

**Ibhubesi Gas Project** means the Ibhubesi gas project located in Block 2A of the South African territorial waters in the Atlantic Ocean, owned by an unincorporated joint venture with three joint venture partners: Petro SA, Anschutz Overseas Pty Ltd and Forest Exploration International Pty Ltd (the operating partner of the project).

**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.

**Listed Option** means an Option listed on ASX.

**Listing Rules** means the listing rules of ASX as amended from time to time.

**Managing Director** means the managing director of the Company.

**Meeting** has the meaning given to that term in the introductory paragraph of the Notice.

**Notice** means the notice of the Meeting which includes the agenda, this Explanatory Memorandum and the Proxy Form.

**Option** means an option which entitles the holder to subscribe for a Share.

**Ordinary Securities** has the meaning given to that term in the Listing Rules.

**Pretzavest** means Pretzavest 37 (Pty) Ltd (Registration Number 2011/002886/07), a limited liability corporation registered under the laws of the Republic of South Africa.

**Pretzavest Shares** means the right, title and interest of the Company in the whole of the issued capital of Pretzavest, being 74% of the issued share capital of Pretzavest.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution contained 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.

**Standstill Period** means the period from the Tranche 1 Completion Date until the earlier to occur of the termination of the Subscription Agreement, the execution of the GSA Term Sheet and 11 February 2015.

**Subscription Agreement** has the meaning given to that term in Section 7.1.

**Tranche 1 Shares** has the meaning given to that term in Section 7.1.

**Tranche 1 Completion** means completion of the issue of the Tranche 1 Shares under the Subscription Agreement.



**Tranche 1 Completion Date** means the date on which the issue of the Tranche 1 Shares occurs.

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

**Umbono** means Umbono Capital Partners LLC, a limited liability corporation registered under the laws of the State of Delaware, United States of America (registration number 4186472).

**Umbono Capital Raising Dates** means each of the dates in the period between 1 August 2014 and 1 August 2015 when the Company receives new capital in cleared funds.

**Umbono Conversion Rights** means the right of Umbono to convert the whole or part of the Umbono Secured Moneys to Shares at A\$0.25 per Share pursuant to the terms of the Umbono Loan Deed .

**Umbono Financial Services** means Umbono Financial Services (Pty) Ltd, a limited liability corporation registered under the laws of South Africa (Registration Number 2003/027785/07).

**Umbono Loan** means the amount of up to A\$2,500,000 drawn down by the Company from time to time pursuant to the Umbono Loan Deed.

**Umbono Loan Deed** means the loan deed dated 6 August 2014 between Umbono as lender and the Company as borrower.

**Umbono Repayment Date** means the date being 12 months following the date of receipt by the Company in cleared funds of the first draw down of the A\$2,500,000 or such earlier date as an event of default occurs or the Umbono Loan Deed permits.

**Umbono Secured Moneys** means the aggregate of the Umbono Loan and interest all other moneys, if any, due to or recoverable by Umbono from the Company pursuant to the Umbono Loan Deed.

**Umbono Shares** has the meaning given to that term in Section 9.2.

**Umbono Undertaking** means the deed of undertaking dated 10 September 2014 between Umbono and the Company pursuant to which Umbono undertake that during the Standstill Period Umbono will not exercise its option to convert the whole or any part of the Umbono Secured Moneys to Shares.

**Vandasia** means Vandasia Investments Limited, a company incorporated in the Seychelles (Company No. 094560).

**VWAP** means volume weighted average price.

**White Swan** means White Swan Nominees Pty Ltd ACN 145 821 245.

**White Swan Loan Deed** means the loan deed dated 25 February 2014 between White Swan lender and the Company as lender, as amended by the Deed of Variation, the Deed of Assignment and Variation and the Assignees Undertaking.

**WST** means Western Standard Time, being the time in Perth, Western Australia.

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# Schedule 2 – Listing Rule 7.3A.6 Disclosure

No.	Date of Issue	Number	Class	Persons to whom the Securities were Issued	Issue price	Discount to market price	Consideration			
1.	26/2/2014	375,000 <sup>1</sup>	Ordinary Shares	Eligible Employee	\$0.20	Discount of \$0.10, or 50%. Based on close of last day traded prior to Date of issue.	Total consideration:	\$75,000		
							Amount of consideration spent:	\$75,000		
							What consideration was spent on:	Exploration on Ibhubesi Gas Project: \$75,000		
							Intended use for remaining consideration:	N/A		
2.	4/7/2014	200,000 <sup>2</sup>	Ordinary Shares	Eligible Employees	Nil	N/A	Total consideration:	Nil		
							Amount of consideration spent:	N/A		
							What consideration was spent on:	N/A		
							Intended use for remaining consideration:	N/A		
3.	7/10/2014	20,367,127	Ordinary Shares	Vandasia Investments Limited (Sophisticated Investor)	\$0.277	Premium of \$0.087, or 45.6%. Based on market close on day prior to announcement of transaction.	Total consideration:	\$5,641,694		
							Amount of consideration spent:	\$1,153,000		
							What consideration was spent on:	Exploration on Ibhubesi Gas Project: \$665,457 Administration costs: \$187,663 Capital raising costs: \$299,880		
							Intended use for remaining consideration:	Exploration on Ibhubesi Gas Project: \$3,501,304 Administration costs: \$987,390		

1 Employee Options granted by the company exercisable at \$0.20 each on various dates on or before between 22 November 2015 and 22 May 2016.

2 Performance share rights granted by the Company from time to time.

# SUNBIRD ENERGY LIMITED

ACN 150 956 773



## PROXY FORM

The Company Secretary  
SUNBIRD ENERGY LIMITED

### By delivery: By post: By facsimile:

1st Floor, 50 Ord Street  
WEST PERTH WA 6005

PO Box 434  
PERTH WA 6872

+61 8 9463 6630

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

I/we being Shareholder/s of the Company hereby appoint:

**The Chairperson  
(mark box)**

☐ **OR** if you are **NOT** appointing the Chairperson 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, 50 Ord Street, West Perth, Western Australia on Friday, 28 November 2014 commencing at 2:00pm (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

#### 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			
Resolution 2	Re-election of Director –Andrew Leibovitch			
Resolution 3	Re-election of Director –Kerwin Rana			
Resolution 4	Ratification of Tranche 1 Shares			
Resolution 5	Approval of Additional 10% Placement Capacity			
Resolution 6	Approval of Umbono Conversion Rights and Issue of Umbono Shares			
Resolution 7	Approval of Assignees Conversion Rights and Issue of Assignees Shares			

\* 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.

#### Authorised signature/s

instructions to be implemented.

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

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

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director and Sole Company  
Secretary

Director

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date



#### 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 (1st Floor, 50 Ord Street, West Perth, WA, 6005, or by post to PO Box 434, Perth, WA, 6872 or Facsimile (08) 9463 6630 if faxed from within Australia or +618 9463 6630 if faxed from outside Australia) not less than 48 hours prior to the time of commencement of the Meeting (WST).