



ALEATOR ENERGY

— LIMITED —

ACN 063 074 635

NOTICE OF ANNUAL GENERAL MEETING

PROXY FORM

EXPLANATORY MEMORANDUM

Date of Meeting

28 November 2014

Time of Meeting

10am

Place of Meeting

Bentleys, Level 1, 12 Kings Park Road
West Perth, Western Australia

ALEATOR ENERGY LIMITED
ACN 063 074 635

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the shareholders of Aleator Energy Limited (**Company** or **Aleator**) will be held at Bentleys, Level 1,12 Kings Park Road West Perth, Western Australia on Thursday, 28 November 2014 at 10am (Perth time) for the purpose of transacting the following business.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of Annual General Meeting.

Capitalised terms used in this Notice of Annual General Meeting have the meaning given to them in the Glossary contained in the Explanatory Memorandum.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10am (Perth time) on 26 November 2014.

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the financial statements of the Company for the year ended 30 June 2014, together with the declaration of the directors, the Directors Report, the Remuneration 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, the following resolution as a **non-binding resolution**:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report for the Company (including the Directors' Report) as contained in the Company's Annual Report for the financial year ended 30 June 2014."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

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

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

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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3. RESOLUTION 2 – RE-ELECTION OF MARK ROWBOTTAM AS A DIRECTOR

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

"That, for the purposes of clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Mark Rowbottam, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – BAYCREST FEE NO.1

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 11,578,130 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – PROSPECTUS (NOVEMBER 2013)

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 10,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE - BAYCREST FEE NO.2

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 1,090,789 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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7. RESOLUTION 6 - RATIFICATION OF PRIOR ISSUE – PROSPECTUS (MARCH 2014)

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 10,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 7 - RATIFICATION OF PRIOR ISSUE – IMPLEMENTATION SECURITIES

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 35,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE – MORGANS PROFESSIONAL FEES

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 37,319,270 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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10. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE – CONVERSION OF CONVERTIBLE NOTE - TRADING AND INVESTMENT GROUP

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 170,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

11. RESOLUTION 10 - RATIFICATION OF PRIOR ISSUE – ACUITY CAPITAL PROFESSIONAL FEES

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 31,500,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

12. RESOLUTION 11 - RATIFICATION OF PRIOR ISSUE – PROSPECTUS (MAY 2014)

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 10,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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13. RESOLUTION 12 – RATIFICATION OF PRIOR ISSUE – CONVERSION OF UNSECURED LOAN – CONFADENT LIMITED

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 126,576,973 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

14. RESOLUTION 13 - RATIFICATION OF PRIOR ISSUE – CONVERSION OF UNSECURED LOAN – REVOLVE PROJECTS PTY LTD

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 28,347,271 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

15. RESOLUTION 14 - CONVERSION OF FEES TO LEWIS CROSS

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to allot and issue up to that number of Shares (on a post-Consolidation basis) when multiplied by the issue price, will pay \$46,082 owing to Lewis Cross for accrued directors fees on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion:

The Company will disregard any votes cast on this Resolution by Lewis Cross (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

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

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However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
 - (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
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16. RESOLUTION 15 – CONVERSION OF FEES TO GENNADY VARITSKY

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to allot and issue up to that number of Shares (on a post-Consolidation basis) when multiplied by the issue price, will pay \$27,000 owing to Gennady Varitsky for accrued directors fees on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion:

The Company will disregard any votes cast on this Resolution by Gennady Varitsky (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

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

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
 - (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
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17. RESOLUTION 16 – CONVERSION OF FEES TO WAL MUIR

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to allot and issue up to that number of Shares (on a post-Consolidation basis) when multiplied by the issue price, will pay \$66,694 owing to Wal Muir for accrued executive fees on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion:

The Company will disregard any votes cast on this Resolution by Wal Muir (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

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

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

18. RESOLUTION 17 - CONVERSION OF FEES TO MARK ROWBOTTAM

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to allot and issue up to that number of Share (on a post-Consolidation basis) when multiplied by the issue price, will pay \$46,730 owing to Mark Rowbottam for accrued directors fees and expense reimbursements on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion:

The Company will disregard any votes cast on this Resolution by Mark Rowbottam (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

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

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

19. RESOLUTION 18 – ISSUE OF SHARES UPON CONVERSION OF CONVERTIBLE NOTES

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholder approval is given to the Company to issue Shares to Noteholders (on a post-Consolidation basis) on the terms and conditions set out in the Explanatory Memorandum.”

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Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

20. RESOLUTION 19 – ISSUE OF SHARES TO CREDITORS OF THE COMPANY

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

“That, subject to and conditional upon the passing of Resolutions 18 and 22, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue Shares to Creditors (on a post-Consolidation basis), in lieu of funds owed on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

21. RESOLUTION 20 – APPROVAL OF 10% PLACEMENT FACILITY

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

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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22. RESOLUTION 21 – APPROVAL FOR FUTURE PLACEMENT OF SHARES

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to that number of Shares (on a post-Consolidation basis), when multiplied by the issue price, will raise up to \$3,000,000 on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

23. RESOLUTION 22 – CONSOLIDATION OF CAPITAL

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

“That, for the purposes of Section 254H of the Corporations Act and for all other purposes, approval is given for the issued capital of the Company to be consolidated on the basis that:

- (a) every fifteen (15) Shares be consolidated into one (1) Share; and*
- (b) every fifteen (15) Options be consolidated into one (1) Option with the exercise price amended in inverse proportion to that ratio,*

and where this Consolidation results in a fraction of a Share or Option being held by a Shareholder or Option holder (as the case may be), the Directors be authorised to round that fraction up to the nearest whole Share or Option, with the consolidation taking effect as described in the Explanatory Statement.”

24. RESOLUTION 23 –CHANGE TO CONSTITUTION

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

“That, for the purpose of Section 136 (2) of the Corporations Act and for all other purposes, approval is given to the Company to modify its constitution by the terms and conditions set out in the Explanatory Memorandum.

By order of the Board

Mr Ranko Matic
Company Secretary
Dated: 28 October 2014

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VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the Proxy Form enclosed and return by the time and in accordance with the instructions set out on the Proxy Form. All Proxy Forms to be received not later than 10:00am WST on 26th November 2014.

Proxy forms received later than this time will be invalid.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

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Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice for Aleator Energy Limited (**Company** or **Aleator Energy**).

The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Capitalised terms used in this Explanatory Memorandum are defined in the Glossary appearing at the end of this Explanatory Memorandum.

The following information should be noted in respect of the various matters contained in the accompanying Notice.

1. FINANCIAL REPORTS

The first item of the Notice of Annual General Meeting (**AGM**) deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2014 together with the Directors' declaration and report in relation to that financial year and the auditor's report on those financial statements (**Annual Report**). Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
 - the preparation and content of the independent audit report;
 - the accounting policies adopted by the Company in relation to the preparation of accounts; and
 - the independence of the auditor in relation to the conduct of the audit.
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2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

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The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directed	Undirected
Key Management Personnel ¹	Voted	Not voted ³
Chair ²	Voted	Voted at discretion of Proxy ⁴
Other	Voted	Voted at discretion of Proxy

Notes:

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1. Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.
2. Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).
3. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.
4. The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

2.5 Directors' recommendation

The Board considers that the remuneration policies adopted by the Company are appropriately structured to provide rewards that are commensurate with the performance of the Company and the individual. On this basis the Directors recommend that Shareholders vote in favour of Resolution 1.

3. RESOLUTION 2 – RE-ELECTION OF MARK ROWBOTTAM AS A DIRECTOR

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 year, whichever is the longer.

Clause 13.2 of the Constitution provides that:

“at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director except a Managing Director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election. The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots. A retiring Director is eligible for re-election. An election of Directors shall take place each year.

If more than one managing director has been appointed by the Directors then only one of them, nominated by the Directors, is entitled to be exempt from re-election.”

The Company currently has 3 Directors and accordingly 1 must retire.

Mr Mark Rowbottam, the Director longest in office since his last election, retires by rotation and seeks re-election. Mr Rowbottam was first appointed as a Director on 18 April 2012.

Mr Rowbottam is an experienced corporate executive, advisor and company director. Mr Rowbottam has undergraduate science qualifications and a Master of Business Administration with specialties in corporate administration and marketing. He is a Fellow of the Securities Institute of Australia and active member of the Australian Institute of Company Directors and Governance Institute of Australia. Mr Rowbottam has more than

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15 years' experience in the corporate financial arena and has been involved in numerous IPOs, ASX capital raisings, mergers/acquisitions and corporate transactions in the mineral and energy sectors. He is a founder and current Non-Executive Director of ASX listed Latin Resources Limited and the Non-Executive Chairman of GRP Corporation Limited.

The Board has considered Mr Rowbottam's independence and considers that he is not an independent Director as is an Executive Director.

The Directors, other than Mr Rowbottam, support the re-election of Mr Rowbottam and recommend that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – BAYCREST FEE (NO.1)

4.1 General

On 3 October 2013 the Company announced it had completed its negotiations with a US based institutional investor for \$500,000, via a convertible, redeemable secured loan. Funds from the loan were to enable the Company to satisfy the pre-payment of interest on the €5 million loan facility as announced on 2nd October 2013 and for working capital.

A material term of the loan is to pay an establishment fee of AU\$75,000 to be paid in shares at an issue price of 20% discount to the lowest volume weighted average price of the Company's shares in the five trading days immediately prior to the issuance date.

This issue was the part payment of the establishment fee for this loan. The full fee was unable to be issued as there was insufficient capacity available under listing rule 7.1 and 7.1A for the Company. The remainder of the fee would then be issued once the capacity under 7.1 and 7.1A were refreshed at the Annual General Meeting.

4.2 ASX Listing Rule 7.1

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

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

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Issues made with approval under Listing Rule 7.1 can be ratified under Listing Rule 7.4.

This share issue was made under Listing Rule 7.1 15% placement capacity.

4.3 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Capital Raising:

- (a) a total of 11,578,130 Shares were allotted and issued to the Baycrest Capital LLC and Bass Point Capital LLC;
- (b) the issue of the shares was completed on or about 1 November 2013;
- (c) the issue price was \$0.00592 per Share;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the subscriber was not a related party of the Company; and
- (f) the purpose of the share issue was the part payment of the establishment fee for the recent loan raised by the Company.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – PROSPECTUS (NOVEMBER 2013)

5.1 General

The Prospectus was prepared primarily for the purpose of Section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of shares issued by the Company prior to the Closing Date, being 1 November 2013.

A summary of ASX Listing Rule 7.4 is set out in Section 4.2 above.

This share issue was made under Listing Rule 7.1 15% placement capacity.

5.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Capital Raising:

- (a) a total of 10,000 Shares were issued to Revolve Projects Pty Ltd;
- (b) the issue of the shares was completed on or about 1 November 2013;
- (c) the issue price was \$0.006;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) none of the subscribers were related parties of the Company; and
- (f) the Company has used the funds raised from the Capital Raising for working capital to support the Company's operations.

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6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – BAYCREST FEE (NO.2)

6.1 General

On 3 October 2013 the Company announced it had completed its negotiations with a US based institutional investor for \$500,000, via a convertible, redeemable secured loan. Funds from the loan were to enable the Company to satisfy the pre-payment of interest on the €5 million loan facility as announced on 2nd October 2013 and for working capital.

A material term of the loan is to pay an establishment fee of AU\$75,000 to be paid in shares at an issue price of 20% discount to the lowest volume weighted average price of the Company's shares in the five trading days immediately prior to the issuance date.

Part payment of this fee occurred on 1 November 2013 with the issue of 11,578,130 ordinary shares. This was the maximum issue permitted under the remaining capacity under Listing Rule 7.1. This issue of 1,090,789 ordinary shares is the remaining part payment of the establishment fee for this loan.

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

A summary of ASX Listing Rule 7.4 is set out in Section 4.2 above.

Issues made with approval under Listing Rule 7.1 can be ratified under Listing Rule 7.4.

This share issue was made under Listing Rule 7.1 15% placement capacity.

6.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Capital Raising:

- (a) a total of 1,090,789 Shares were allotted and issued to Baycrest Capital LLC and Bass Point Capital LLC;
 - (b) the issue of the shares was completed on or about 2 December 2013;
 - (c) the issue price was \$0.00592 per Share;
 - (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
 - (e) the subscriber was not a related party of the Company; and
 - (f) the purpose of the share issue was the part payment of the establishment fee for the recent loan raised by the Company.
-

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7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – PROSPECTUS (MARCH 2014)

7.1 General

The Prospectus was prepared primarily for the purpose of Section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of shares issued by the Company prior to the Closing Date, being 19 March 2014.

A summary of ASX Listing Rule 7.4 is set out in Section 4.2 above.

This share issue was made under Listing Rule 7.1 15% placement capacity.

7.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Capital Raising:

- (a) a total of 10,000 Shares were issued to Revolve Projects Pty Ltd;
- (b) the issue of the shares was completed on or about 19 March 2014;
- (c) the issue price was \$0.006;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) none of the subscribers were related parties of the Company; and
- (f) the Company has used the funds raised from the Capital Raising for working capital to support the Company's operations.

8. RESOLUTION 7 - RATIFICATION OF PRIOR ISSUE – IMPLEMENTATION SECURITIES

8.1 General

On 12th March 2014 the Company announced it had completed its negotiations with an Australian based institutional investor for \$5,000,000 through a series of convertible notes. Funds from the issue of these notes will enable the Company to maintain the Povorotnoye Project in Crimea, Ukraine.

A material term of the loan is to issue Implementation Securities pay an establishment fee of 35,000,000 ordinary shares at an issue price of \$0.002.

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

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A summary of ASX Listing Rule 7.4 is set out in Section 4.2 above.

Issues made with approval under Listing Rule 7.1 can be ratified under Listing Rule 7.4.

This share issue was made under Listing Rule 7.1 15% placement capacity.

8.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Capital Raising:

- (a) a total of 35,000,000 Shares were allotted and issued to Belloc Pty Ltd and Ms Sanita Laizane;
- (b) the issue of the shares was completed on or about 13 March 2014;
- (c) the issue price was \$0.002 per Share;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the subscriber was not a related party of the Company; and
- (f) the purpose of the share issue was the implementation securities due upon the execution of the Convertible Note Agreement, for the recent convertible notes contract entered into by the Company.

9. RESOLUTION 8 - RATIFICATION OF PRIOR ISSUE – MORGANS PROFESSIONAL FEES

9.1 General

The Company entered into an agreement with RBS Morgans Corporate Limited whereby they arranged and managed a succession of Road Shows for Aleator Energy Limited. The fee for this service totalled \$37,319.27 for which RBS Morgans has agreed to receive scrip in full payment of this outstanding debt. Therefore the Company has allotted and issued 37,319,270 ordinary fully paid shares in Aleator Energy Limited with an issue price of \$0.001 to finalise this amount owing to RBS Morgans.

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

A summary of ASX Listing Rule 7.4 is set out in Section 4.2 above.

Issues made with approval under Listing Rule 7.1 can be ratified under Listing Rule 7.4.

This share issue was made under Listing Rule 7.1 15% placement capacity.

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9.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Capital Raising:

- (a) a total of 37,319,270 Shares were allotted and issued Morgans Corporate Limited;
- (b) the issue of the shares was completed on or about 31 March 2014;
- (c) the issue price was \$0.001 per Share;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the subscriber was not a related party of the Company; and
- (f) the purpose of the share issue was the payment in full of the outstanding fee of \$37,319.27 for the arrangement and management of a succession of road shows for the Company.

10. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE – CONVERSION OF CONVERTIBLE NOTE – TRADING AND INVESTMENT GROUP

10.1 General

The Company entered into a Convertible Note Agreement with Trading and Investment Group Pty Ltd on 4 March 2014 as announced to the market on 12 March 2014. The agreement provided a loan of up to \$5,000,000 to Aleator which will enable the Company to maintain the Povorotnoye Project in Crimea, Ukraine and enable the assessment of the Golden Eagle Gas Project in Utah, USA.

On 10 April 2014, Trading and Investment Group sought to Convert a \$96,000 Convertible note into shares. As a result the Company allotted and issued 120,000,000 ordinary fully paid shares in Aleator Energy Limited with an issue price of \$0.0008 in order to effect the conversion of the Convertible Note. Further, on 20 May 2014, Trading and Investment Group sought to Convert a \$40,000 Convertible note into shares. As a result the Company allotted and issued 50,000,000 ordinary fully paid shares in Aleator Energy Limited with an issue price of \$0.0008 in order to effect the conversion of the Convertible Note.

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

A summary of ASX Listing Rule 7.4 is set out in Section 4.2 above.

Issues made with approval under Listing Rule 7.1 can be ratified under Listing Rule 7.4.

This share issue was made under Listing Rule 7.1 15% placement capacity.

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10.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Capital Raising:

- (a) a total of 170,000,000 Shares were allotted and issued to Suburban Holdings Pty Ltd;
- (b) the issue of the shares was completed on or about 10 April 2014 (120,000,000 shares) and 20 May 2014 (50,000,000 shares);
- (c) the issue price was \$0.0008 per Share;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the subscriber was not a related party of the Company; and
- (f) the purpose of the share issue was the conversion of a Convertible Note issued in March and May 2014 for a total amount of \$136,000. The Convertible Note was issued pursuant to the Convertible Note Agreement dated 4 March 2014.

11. RESOLUTION 10 - RATIFICATION OF PRIOR ISSUE – ACUITY CAPITAL PROFESSIONAL FEES

11.1 General

The Company entered into an agreement with Acuity Capital Pty Ltd to provide professional services for a controlled placement facility. The Company decided not to proceed with this facility. The fee for non-utilisation of these services totaled \$25,200 for which Acuity Capital Pty Ltd has agreed to receive scrip in full payment of this outstanding debt. Therefore the Company has allotted and issued 31,500,000 ordinary fully paid shares in Aleator Energy Limited with an issue price of \$0.0008 to finalise this amount owing to Acuity Capital Pty Ltd.

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

A summary of ASX Listing Rule 7.4 is set out in Section 4.2 above.

Issues made with approval under Listing Rule 7.1 can be ratified under Listing Rule 7.4.

This share issue was made under Listing Rule 7.1 15% placement capacity.

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11.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Capital Raising:

- (a) a total of 31,500,000 Shares were allotted and issued to Acuity Capital Pty Ltd;
 - (b) the issue of the shares was completed on or about 20 May 2014 (15,750,000 Shares) and 23 May 2014 (15,750,000 Shares);
 - (c) the issue price was \$0.0008 per Share;
 - (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
 - (e) the subscriber was not a related party of the Company; and
 - (f) the purpose of the share issue was the payment in full of the outstanding fee of \$25,200 to provide professional services for the Company.
-

12. RESOLUTION 11 - RATIFICATION OF PRIOR ISSUE – PROSPECTUS (MAY 2014)

12.1 General

The Prospectus was prepared primarily for the purpose of Section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of shares issued by the Company prior to the Closing Date, being 28 May 2014.

A summary of ASX Listing Rule 7.4 is set out in Section 4.2 above.

This share issue was made under Listing Rule 7.1 15% placement capacity.

12.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Capital Raising:

- (a) a total of 10,000 Shares were issued to Revolve Projects Pty Ltd;
- (b) the issue of the shares was completed on or about 28 May 2014;
- (c) the issue price was \$0.001;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) none of the subscribers were related parties of the Company; and

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- (f) the Company has used the funds raised from the Capital Raising for working capital to support the Company's operations.
-

13. RESOLUTION 12 – RATIFICATION OF PRIOR ISSUE – CONVERSION OF UNSECURED LOAN – CONFADENT LIMITED

13.1 General

The Company entered into an agreement with Confadent Limited to provide the funding required to undertake a due diligence required for a capital raising. The outstanding amount owed under this agreement is principal of \$220,000 USD plus a loan fee and interest of \$22,000 USD. The loan was due for repayment on 30 June 2014. In order to conserve capital, the Company offered to repay a part of the outstanding debt with the issue of shares in Aleator Energy Limited. Confadent accepted this alternate form of partial repayment via the shares issued at 20% discount to the five day VWAP prior to the issue of the shares.

As a result on 23 May 2014 the Company allotted and issued 126,576,973 ordinary fully paid shares in Aleator Energy Limited with an issue price of \$0.0008.

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

A summary of ASX Listing Rule 7.4 is set out in Section 4.2 above.

Issues made with approval under Listing Rule 7.1 can be ratified under Listing Rule 7.4.

This share issue was made under Listing Rule 7.1 15% placement capacity.

13.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Capital Raising:

- (a) a total of 126,576,973 Shares were allotted and issued to Confadent Limited;
- (b) the issue of the shares was completed on or about 23 May 2014 (126,576,973 shares);
- (c) the issue price was \$0.0008 per Share;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the subscriber was not a related party of the Company; and
- (f) the purpose of the share issue was the conversion to provide the funding required to undertake a due diligence required for a capital raising.

14. RESOLUTION 13 - RATIFICATION OF PRIOR ISSUE – CONVERSION OF UNSECURED LOAN – REVOLVE PROJECTS PTY LTD

14.1 General

The Company entered into an agreement with Revolve Projects Pty Ltd to provide the funding required for general bridging working capital. The outstanding amount owed under this agreement is principal of \$50,000 plus a loan fee and interest of \$5,000. The amount outstanding under the loan agreement was due for repayment on 31 March 2014. In order to conserve capital, the Company offered to repay a part of the outstanding debt via the issue of shares in Aleator Energy Limited. Revolve Projects Pty Ltd accepted this alternate form of payment with the shares issued at 20% discount to the five day VWAP prior to the issue of the shares.

As a result on 23 May 2014 the Company allotted and issued 28,347,271 ordinary fully paid shares in Aleator Energy Limited with an issue price of \$0.0008 in order to effect the conversion of the Convertible Note.

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

A summary of ASX Listing Rule 7.4 is set out in Section 4.2 above.

Issues made with approval under Listing Rule 7.1 can be ratified under Listing Rule 7.4.

This share issue was made under Listing Rule 7.1 15% placement capacity.

14.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Capital Raising:

- (a) a total of 28,347,271 Shares were allotted and issued to Revolve Projects Pty Ltd;
- (b) the issue of the shares was completed on or about 23 May 2014 (28,347,271 shares);
- (c) the issue price was \$0.0008 per Share;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the subscriber was not a related party of the Company; and
- (f) the purpose of the share issue was to provide the funding required for general bridging working capital.

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15. RESOLUTIONS 14, 15, 16 AND 17 – APPROVAL FOR ISSUE OF SHARES UPON CONVERSION OF FEES OWED TO LEWIS CROSS, GENNADY VARITSKY, WAL MUIR AND MARK ROWBOTTAM

15.1 General

The Company seeks shareholder approval for the issue of:

- (a) up to that number of Shares (on a post-Consolidation basis), when multiplied by the issue price, will pay \$46,082 owing to Lewis Cross for accrued fees;
- (b) up to that number of Shares (on a post-Consolidation basis), when multiplied by the issue price, will pay \$27,000 owing to Gennady Varitsky for accrued fees;
- (c) up to that number of Shares (on a post-Consolidation basis), when multiplied by the issue price, will pay \$66,694 owing to Wal Muir for accrued fees;
- (d) up to that number of Shares (on a post-Consolidation basis), when multiplied by the issue price, will pay \$46,730 owing to Mark Rowbottam for accrued fees;

Lewis Cross is a Non-Executive Director of the Company, Gennady Varitsky is a Non-Executive Director of the Company, Wal Muir is the Chief Executive Officer (CEO) of the Company and Mark Rowbottam is an Executive Director of the Company.

The ASX Listing Rules and the Corporations Act set out a number of regulatory requirements which must be satisfied. These are summarised below:

15.2 Section 208 of the Corporations Act and ASX Listing Rule 10.1

For a public company to give a financial benefit to a related party of the public company, the public company must:

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

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

In the current circumstances, the issue of the Shares to the Directors and CEO constitutes a “financial benefit” as defined in the Corporations Act. Further, the Directors and CEO are “related parties” of the Company as defined under the Corporations Act.

The Directors, (other than the director of which each individual resolution applies, who has a material personal interest in that Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue and allotment of Related Party Shares because the Related Party Shares being issued to each of the Directors are considered reasonable remuneration in the circumstances, were negotiated on an arm’s length basis and the issue price of the Shares is a discount that is considered to be reasonable in the circumstances.

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

If Resolutions 14, 15, 16 and 17 are passed, shares will be issued to the Directors and CEO, who are all related parties of the Company. Accordingly, shareholder approval is required pursuant to ASX Listing Rule 10.11.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Shares to the Directors as approval is being obtained under ASX Listing Rule 10.11. Shareholders should note that the issue of securities to the Directors and CEO will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

15.3 Information required by ASX Listing Rule 10.13

Pursuant to ASX Listing Rule 10.13 the Company provides the following information to Shareholders in respect Resolutions 14, 15, 16 and 17:

- a) the related parties to whom securities (the financial benefit) may be issued are Lewis Cross, Gennady Varitsky, Wal Muir and Mark Rowbottam (or their nominees) and they are related parties by virtue of being directors or CEO of the Company;
- b) the maximum number of Shares to be issued by the Company is
 - (i) the maximum number of Shares (on a post-Consolidation basis) to be issued is 3,840,167 which is up to that number of Shares which, when multiplied by the issue price, equals \$46,082 to Lewis Cross (or his nominees);
 - (ii) the maximum number of Shares (on a post-Consolidation basis) to be issued is 2,250,000 which is up to that number of Shares which, when multiplied by the issue price, equals \$27,000 to Gennady Varitsky (or his nominee);
 - (iii) the maximum number of Shares (on a post-Consolidation basis) to be issued is 5,557,833 which is up to that number of Shares which, when multiplied by the issue price, equals \$66,694 to Wal Muir (or his nominee); and
 - (iv) the maximum number of Shares (on a post-Consolidation basis) to be issued is 3,894,167 which is up to that number of Shares which, when multiplied by the issue price, equals \$46,730 to Mark Rowbottam (or his nominees).
- c) the Shares will be issued not later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that allotment will occur on one date;
- d) the issue price will be \$0.012

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- e) the Shares will be issued in lieu of director fees and salary, therefore shares will be granted for nil cash consideration, and no funds will be raised;
- f) The Shares issued will rank pari passu with, and will be issued on the same terms and conditions as, the Company's existing Shares; and
- g) the primary purpose of issuing the Shares to the Directors and CEO is to convert the accrued fees owed to the individual directors and CEO as agreed with them. ;
- h) the Directors make the following recommendations in relation to the proposed issue of the Shares:

- (i) the Directors (other than Lewis Cross), who do not have a material personal interest in the outcome of Resolution 14, recommend that Shareholders vote in favour of Resolution 14 as they are of the view that the issue of 3,840,167 shares to Lewis Cross will finalise and extinguish the accrued directors fees owing to Mr Cross for the period of 1 July 2013 to 31 March 2014;

Lewis Cross declined to make a recommendation in relation to Resolution 14 due to the fact that he has a material personal interest in its outcome;

- (ii) the Directors (other than Gennady Varitsky), who do not have a material personal interest in the outcome of Resolution 15, recommend that Shareholders vote in favour of Resolution 15 as they are of the view that the issue of 2,250,000 shares to Gennady Varitsky will finalise and extinguish the accrued directors fees owing to Mr Varitsky for the period of 1 July 2013 to 31 March 2014;

Gennady Varitsky declined to make a recommendation in relation to Resolution 15 due to the fact that he has a material personal interest in its outcome;

- (iii) the Directors (other than Wal Muir), who do not have a material personal interest in the outcome of Resolution 16, recommend that Shareholders vote in favour of Resolution 16 as they are of the view that the issue of 5,557,833 shares to Wal Muir will finalise and extinguish the accrued executive fees owing to Mr Muir for the period of 1 July 2013 to 31 March 2014;

Wal Muir declined to make a recommendation in relation to Resolution 16 due to the fact that he has a material personal interest in its outcome;

- (iv) the Directors (other than Mark Rowbottam), who do not have a material personal interest in the outcome of Resolution 17, recommend that Shareholders vote in favour of Resolution 17 as they are of the view that the issue of 3,894,167 shares to Mark Rowbottam will finalise and extinguish the accrued directors fees owing to Mr Rowbottam for the period of 1 July 2013 to 31 March 2014;

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Mark Rowbottam declined to make a recommendation in relation to Resolution 17 due to the fact that he has a material personal interest in its outcome;

- i) the remuneration and emoluments from the Company to the Directors for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Directors	Current Financial Year	Previous Financial Year
Lewis Cross	\$-	\$66,551
Gennady Varitsky	\$-	\$27,000
Wal Muir	\$1,000 per day	\$111,666
Mark Rowbottam	\$180,000 per annum	\$254,005

- j) the Directors have the following relevant interests in the Shares of the Company:

- (i) Lewis Cross currently has an indirect interest in 7,680,000 Shares and 20,300,000 Options;
- (ii) Gennady Varitsky currently has an interest in 20,000,000 Shares and holds 25,000,000 Options; and
- (iii) Wal Muir currently has an interest in 30,115,959 Shares and holds 2,777,778 Options;
- (iv) Mark Rowbottam currently has an indirect interest in 42,099,888 Shares and 15,000,000 Options;

- k) the Directors will have the following relevant interests in Shares of the Company on a Post-consolidation basis as follows:

Directors	Current Shares	Post consolidation shares	Shares to be issued	Total shares
Lewis Cross	7,680,000	512,000	3,840,167	4,352,167
Gennady Varitsky	20,000,000	1,333,333	2,250,000	3,853,333
Wal Muir	30,115,959	2,007,731	5,557,833	7,565,564
Mark Rowbottam	42,099,888	2,806,659	3,864,167	6,670,826

- l) If the shares under Resolutions 14 – 17 are issued to the related parties, the shareholding of existing Shareholders would, based on the current issued capital on a Post-Consolidation basis and no other Shares being issued, be diluted by approximately 10.56%

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- m) the nature of the financial benefit to be given to the Related Parties is the issue of Shares, some or all of which may be issued at a price that is a discount to the market price of those securities at their time of issue;
- n) additional information in relation to Resolutions 14, 15, 16 and 17 is set out throughout this Explanatory Statement. Shareholders should therefore read the Notice and Explanatory Statement in its entirety before making a decision as to how to vote on Resolutions 14, 15, 16 and 17.

16. RESOLUTION 18 – ISSUE OF SHARES UPON CONVERSION OF CONVERTIBLE NOTES

16.1 General

The Company has entered into a secured, interest free convertible note deed poll dated 29 July 2014 (**Deed**) to secure up to \$1,200,000 in additional debt finance through the issue of unlisted Convertible Notes. On 28 October the Company announced to the market that they had received commitments of up to \$1.2m for the Convertible Note issued under the original deed poll dated 29 July 2014 with funds to be applied to working capital, payments to creditors and project activities related to retaining the Povorotnoye licence and assessing seismic options on the Golden Eagle project.

The material terms of the Convertible Notes are as follows:

- (a) A maximum issue of up to \$1,200,000;
- (b) The Notes have a face value of \$0.0006;
- (c) The Notes are interest free;
- (d) The notes are secured against the assets of the Company;
- (e) The conversion of Notes to shares is subject to shareholder approval;
- (f) The number of shares to which a Noteholder will be entitled on conversion of each Note will be the greater of either:
 - (i) One share, i.e. each Note converts into a shares on a one for one basis; or
 - (ii) In the event of a reconstruction of the Company's issued capital, the number or fraction of shares being the product of 0.0006 multiplied by the consolidation ratio divided by the price which is 80% of the five day VWAP calculated on but excluding the twenty first trading day after the Company's securities first trade on the ASX on a post consolidation basis; and
- (g) If Shareholder approval is not obtained, the note holders may redeem their notes by providing the Company with a redemption notice.

Resolution 18 seeks Shareholder approval for the issue of Shares to Noteholders (on a post-Consolidation basis) at a deemed issue price which is the lesser of \$0.009 on a post consolidation basis or 80% of the Five Day VWAP calculated on but excluding the twenty first Trading Day after the Company's Securities first trade on the ASX on a post-

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Consolidation basis, and have nil interest payable, to unrelated Convertible Note holders (**Noteholders**) in accordance with the terms of the Deed (**Conversion**).

The Convertible Notes will be converted into Shares on the twenty-first Trading Day after the Company's Securities first trade on the ASX on a post-Consolidation basis. The Convertible Notes are effectively debt instruments at present and may not be converted into Shares until Resolutions 18 and 22 are approved by Shareholders.

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

The effect of Resolution 18 will be to allow the Company to issue the Shares pursuant to the Conversion during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

16.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Conversion:

- a) the number of Shares to which a Noteholder will be entitled on Conversion of each Note held by that Noteholder (on a post-Consolidation basis) is the greater of either:
 - (i) one Share. i.e. each Notes converts into a Share on a one (1) for one (1) basis; or,
 - (ii) In the event of a reconstruction of the Company's issued capital, the number or fraction of Shares being the product of 0.0006 multiplied by the Consolidation ratio divided by the price which is 80% of the Five Day VWAP calculated on but excluding the twenty first Trading Day after the Company's Securities first trade on the ASX on a post-Consolidation basis.
- b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- c) the Shares will be issued on the twenty first Trading Day after the Company's Securities first trade on the ASX on a post-Consolidation basis for nil cash consideration, accordingly no funds will be raised;
- d) the issue price will be the lesser of \$0.009 on a post consolidation basis or 80% of the Five Day VWAP calculated on but excluding the twenty first Trading Day after the Company's Securities first trade on the ASX on a post-Consolidation basis;
- e) the Shares will be issued to the Noteholders, none of whom will be related parties of the Company;

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- f) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- g) the funds raised from the Convertible Notes have been or will be applied towards maintaining the Company's projects, working capital and payment of creditors.

17. RESOLUTION 19 – ISSUE OF SHARES TO CREDITORS OF THE COMPANY

17.1 General

As at the date of this Notice, the Company has a total of \$401,315 of outstanding amounts (**Debts**) owing to various unrelated creditors (**Creditors**) in respect of prior loans made to the Company as follows:

- (a) \$50,000.00 to Revolve Projects Pty Ltd;
- (b) \$71,314.23 to Trade and Investment Group Pty Ltd;
- (c) \$280,000.00 to Confadent Limited;

In order to discharge the Debts and maintain a greater proportion of the Company's cash reserves, the Company and its Directors have agreed, subject to obtaining Shareholder approval, to issue Shares to Creditors in satisfaction of the Debts.

In this regard, the Company has agreed, subject to obtaining Shareholder approval, to issue Shares (on a post-Consolidation basis) (**Creditor Shares**) to the Creditors for nil consideration in lieu of the Debts (**Creditor Issue**). Resolution 19 seeks Shareholder approval for the Creditor Issue.

A summary of ASX Listing Rule 7.1 is set out in section 4.2 above.

The effect of Resolution 19 will be to allow the Company to issue the Creditor Shares pursuant to the Creditor Issue during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

17.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Creditor Issue:

- a) the number of Shares to which a Creditor will be entitled (on a post-Consolidation basis) is the amount owing divided by the issue price which is the lesser of \$0.009 on a post consolidation basis or 80% of the Five Day VWAP calculated on but excluding the twenty first Trading Day after the Company's Securities first trade on the ASX on a post-Consolidation basis.

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- b) The Amount owing to each Creditor is:
 - i. \$50,000.00 to Revolve Projects Pty Ltd;
 - ii. \$71,314.23 to Trade and Investment Group Pty Ltd;
 - iii. \$280,000.00 to Confadent Limited;
- c) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- d) the issue price will be at the lesser of \$0.009 on a post consolidation basis or 80% of the Five Day VWAP calculated on but excluding the twenty first Trading Day after the Company's Securities first trade on the ASX on a post-Consolidation basis;
- e) the Shares will be issued for nil cash consideration for loans provided to the Company by the Creditors and to satisfy the Debts;
- f) the Shares will be issued to the Creditors as outlined in paragraph (b) above, none of whom are related parties of the Company;
- g) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- h) no funds will be raised from the Creditor Issue as the Creditor Shares are being issued in satisfaction of the Debts.

18. RESOLUTION 20 – APPROVAL OF 10% PLACEMENT FACILITY

18.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 20, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 18.2 below).

The effect of Resolution 20 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

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Resolution 20 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 20 for it to be passed.

18.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$2,207,212 as at 13 October 2014.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has two classes of Equity Securities on issue, being the Shares (ASX Code: AWD), and the Options exercisable at \$0.02 on or before 31 January 2015 (ASX Code: AWDO).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
 - (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
 - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

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18.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 20:

a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded 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 ASX trading days of the date in section 18.3(a)(i), the date on which the Equity Securities are issued.

b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (i) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid);

(10% Placement Capacity Period).

c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 20 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where

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there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Dilution				
Variable 'A' in Listing Rule 7.1A.2	Issue Price (per share)	50% decrease in Current Issue Price \$0.0005	Current Issue Price \$0.001	50% increase in Current Issue Price \$0.0015
Current Variable A 2,207,212,167 Shares	10% Voting Dilution	220,721,217 Shares	220,721,217 Shares	220,721,217 Shares
	Funds Raised	\$110,360	\$220,721	\$331,082
50 % increase in Current Variable A 3,310,818,250 Shares	10% Voting Dilution	331,081,825 Shares	331,081,825 Shares	331,081,825 Shares
	Funds Raised	\$165,541	\$331,082	\$496,623
100 % increase in Current Variable A 4,414,424,334 Shares	10% Voting Dilution	441,442,433 Shares	441,442,433 Shares	441,442,433 Shares
	Funds Raised	\$220,721	\$441,442	\$662,164

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 2,207,212,167 Shares on issue as at the date of this Notice of Meeting.
2. The issue price set out above is the closing price of the Shares on the ASX on 13 October 2014.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. 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%.
9. 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.

Shareholders should note that there is a risk that:

- (ii) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (iii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

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d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets (funds would then be used for other project costs, feasibility studies and ongoing project administration), general working capital; or
- (ii) as non-cash consideration for the acquisition of 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.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

e) **Allocation under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

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

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f) **Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 28 November 2013 (**Previous Approval**).

The Company has issued 176,576,973 Shares pursuant to the Previous Approval which represents approximately 10.5% of the total diluted number of Equity Securities on issue in the Company on 28 November 2013, which was 1,677,357,864.

During the 12 month period preceding the date of the Meeting, being on and from 28 November 2013, the Company otherwise issued a total of 353,277,330 Shares which represents approximately 21.06% of the total diluted number of Equity Securities on issue in the Company on 28 November 2013, which was 1,677,357,864.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

18.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 20.

19. RESOLUTION 21 – APPROVAL FOR FUTURE PLACEMENT OF SHARES

19.1 General

Resolution 21 seeks Shareholder approval for the allotment and issue of up to that number of Shares, when multiplied by the issue price, will raise up to \$3,000,000 (**Share Placement**).

The Company has yet to determine whether it intends for the Share Placement to occur in one or more tranches. The Company will provide further details to Shareholders in this regard in due course.

A summary of ASX Listing Rule 7.1 is set out in Section 4.2 above.

The effect of Resolution 21 will be to allow the Directors to issue the Shares pursuant to the Share Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

19.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Share Placement:

- (a) the maximum number of Shares to be issued is up to that number of Shares which, when multiplied by the issue price, equals \$3,000,000;

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- (b) the Company has yet to determined whether the Share Placement will take place in one or more tranches. In any event, the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) the issue price will be not less than 80% of the volume weighted average market price (VWAP) for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made;
- (d) the Directors will determine to whom the Shares will be issued with the Company's supporting broker and corporate advisor at the time and these persons will not be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Share Placement towards the seismic survey on the Golden Eagle project, for potential new project acquisitions and general working capital. If the acquisition of a potential new project falls within the regulations contained in Chapter 9 of the listing rules, then an escrow period on the shares issued under this resolution may apply.

20. RESOLUTION 22 – CONSOLIDATION OF CAPITAL

20.1 Background

Resolution 22 seeks shareholder approval to consolidate the Company's issued capital by consolidating every fifteen (15) existing Shares into one (1) new Share ("Consolidation").

The purpose of the Consolidation is to provide the Company with a more appropriate capital structure for a company of its size and nature. The Company currently has 2,207,212,167 Shares on issue. The Board considers that having such a large number of Shares on issue subjects the Company to a number of disadvantages including:

- (a) additional share price volatility arising from the fact that a change in the price of the Shares represents a higher percentage of the Share price than it would if the Company had a greater Share price;
- (b) the Company has a far greater number of Shares on issue than comparable companies; and
- (c) negative perceptions associated with a low share price.

Section 254H of the Corporations Act provides that a company may, by a resolution passed in a general meeting of shareholders, convert all or any of its shares into a larger or smaller number of shares.

If Resolution 22 is passed, the number of Shares on issue will be reduced from 2,207,212,167 to approximately 147,147,478.

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As from the effective date of Resolution 22 (being the date of the Annual General Meeting), all holding statements for Shares will cease to have any effect, except as evidence of entitlement to a certain number of post-Consolidation Shares. After the Consolidation becomes effective, the Company will arrange for new holding statements to be issued to Shareholders.

20.2 Fractional Entitlements and Taxation

Not all Shareholders will hold that number of Shares which can be evenly divided by fifteen (15). Where a fractional entitlement occurs, the Directors will round that fraction up to the nearest whole Share.

It is not considered that any taxation consequences will exist for Shareholders holders arising from the Consolidation. However, Shareholders are advised to seek individual tax advice on the effect of the Consolidation. Neither the Company, nor the Directors (or the Company's advisers) accept any responsibility for the individual taxation consequences arising from the Consolidation.

20.3 Effect of the Consolidation on the Capital Structure of the Company

The effect of the Consolidation and the other Resolutions contained within this Notice will have on the capital structure of the Company is set below.

It is the responsibility of each Shareholder to check the number of Shares held prior to disposal.

Capital Structure

The effect that the Consolidation, the other Resolutions contained within this Notice will have on the capital structure of the Company is set out below:

Shares		Number
Current		2,207,212,167
Post 1:15 Consolidation		147,147,478
Resolutions 14 – 17 Directors fees ¹		15,542,167
Resolution 18 – Conversion of Notes ²		133,333,333
Resolution 19 – Creditor Shares ²		44,590,555
Resolution 21 - Future placement of \$3,000,000 ³		200,000,000
TOTAL		540,613,533

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Options		
Current Listed Options		1,319,075,939
Post 1:15 Consolidation		87,938,396
TOTAL		87,938,396

¹ The share price for this issue has been calculated at \$0.012, but may differ upon issue.

² The share price for this issue has been calculated at \$0.009 but may differ upon issue.

³ The shares price for these issues has been calculated at \$0.015, but may differ upon issue.

20.4 Timetable for the Consolidation

The indicative timetable for the Consolidation is as follows:

<u>Event</u>	<u>Date</u>
General Meeting to approve Consolidation	28 November 2014
Notification to ASX of results of General Meeting	28 November 2014
Last day for pre-Consolidation trading	1 December 2014
Post-Consolidation trading on a deferred settlement basis	2 December 2014
Last day to register transfers on a pre-Consolidation basis	4 December 2014
First day for Company to send notice to Shareholders of change of holdings as a result of reorganisation	5 December 2014
First day for Company to register securities on a post-reorganisation basis and for issue of holding statements	
Despatch date	11 December 2014
Deferred settlement market ends	
Last day for securities to be entered into the holders' security holdings and for Company to send notice to each security holder	

21. RESOLUTION 23 – CHANGE TO CONSTITUTION

21.1 General

The Company is seeking approval to change the Company's Constitution to make it more attractive to find a buyer to purchase the unmarketable parcels. Reducing the number of members holding unmarketable parcels will significantly reduce the Company's administrative costs.

A copy of the proposed amended Constitution will be sent to any Shareholder upon request and is available for inspection at Aleator Energy Limited, Level 1, 12 Kings Park Road, West Perth, during normal business hours prior to the General Meeting and will be available for inspection at the AGM.

21.2 Proposed changes

The proposed amendment is summarised below:

- 1 Non-marketable parcels
 - 1.1 If one or more Members hold less than a Marketable Parcel of Shares, the Directors may invoke the procedure for the sale of Shares under this clause 1 (Procedure).
 - 1.2 To invoke the Procedure, the Directors must give each Member (or each Member whose Shares are not held in a CHESS Holding) who holds less than a Marketable Parcel of Shares (Eligible Member) written notice (Notice of Divestiture) that complies with this clause 1.
 - 1.3 A Notice of Divestiture given to a Member must:
 - a) state that the Shares referred to in the Notice of Divestiture are liable to be sold in accordance with the Procedure if the Member does not advise the Company before a specified date (Relevant Date) that the Member wishes to keep those Shares; and
 - b) if the Member holds Shares in a CHESS Holding, contain a statement to the effect that if those Shares remain in a CHESS Holding after the Relevant Date, the Company may, without further notice, move those Shares from the CHESS Holding to an Issuer Sponsored Holding or a Certificated Holding for the purposes of divestment by the Company in accordance with the Procedure.
 - 1.4 The Relevant Date must be six weeks or more after the after the date that the Notice of Divestiture is sent.
 - 1.5 A copy of a Notice of Divestiture must be given to any other person required by the ASTC Rules.
 - 1.6 If an Eligible Member on whom a Notice of Divestiture has been served, wants to keep the Shares referred to in the Notice of Divestiture, the Eligible Member must give the Company written notice before the Relevant Date, advising the Company that the Member wants to keep those Shares in which event the Company will not sell the Shares.
 - 1.7 If an Eligible Member on whom a Notice of Divestiture has been served does not give the Company written notice before the Relevant Date advising the Company that the

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Eligible Member wants to keep the Shares referred in the Notice of Divestiture, the Company may:

- a) if the Member holds those Shares in a CHESS Holding, move those Shares from the CHESS Holding to an Issuer Sponsored Holding or a Certificated Holding; and
 - b) in any case, sell those Shares in accordance with the Procedure, but only if the Shares held by the Eligible Member on the Relevant Date is less than a Marketable Parcel.
- 1.8 Any Shares which may be sold under this clause 1 may be sold on the terms, in the manner (whether on-market, by private treaty, through a share sale facility established by, on behalf or, or at the request of the Company, or otherwise) and at the time or times determined by the Directors and, for the purposes of a sale under this clause 9, each Eligible Member:
- a) appoints the Company as the Eligible Member's agent for sale;
 - b) authorises the Company to effect on the Eligible Member's behalf a transfer of the Shares sold and to deal with the proceeds of the sale of the Shares in accordance with clause 1.10;
 - c) appoints the Company, its Directors and the Secretary jointly and severally as the Eligible Member's attorneys to execute an instrument or take other steps, in the Eligible Member's name and on the Eligible Member's behalf, as they or any of them may consider appropriate to transfer the Shares sold; and
 - d) authorises each of the attorneys appointed under paragraph (c) to appoint an agent to do a thing referred to in paragraph (c).
- 1.9 The title of the transferee to Shares acquired under this clause 1 is not affected by an irregularity or invalidity in connection with the sale of Shares to the Transferee.
- 1.10
- a) The proceeds of any sale of Shares under this clause 1 less any unpaid calls and interest (Sale Consideration) will be paid to the relevant Member or as that Member may direct.
 - b) The Sale Consideration received by the Company in respect of all Shares sold under this clause 9 will be paid into a bank account opened and maintained by the Company for the purposes of this clause.
 - c) The Company will hold the Sale Consideration in trust for the Member whose Shares are sold under this clause and will forthwith notify the Member in writing that the Sale Consideration in respect of the Member's Shares has been received by the Company and is being held by the Company pending instructions from the Member as to how it is to be dealt with. If the Member has been issued with a share certificate or certificates, the Member's instructions, to be effective, must be accompanied by the share certificate or certificates to which the Sale Consideration relates or, if the certificate or certificates has or have been lost or destroyed, by a statement and undertaking under subsection 1070D(5) of the *Corporations Act 2001* (Cth).
- 1.11 Subject to the Corporations Act 2001 (Cth), the Company or the purchaser will bear all costs, including brokerage and stamp duty, associated with the sale of any Shares under this clause.
- 1.12 The Procedure may only be invoked once in any 12 month period after its adoption or renewal.
- 1.13 If the Procedure has been invoked and there is an announcement of a takeover bid for Shares, no more sales of Shares may be made under this clause 1 until after the close of the offers made under the takeover. The Procedure may then be invoked again.

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21.3 Board Recommendation

The Board unanimously recommends that shareholders approve the proposed amendments to the Aleator Energy Limited Constitution.

21.4 Shareholder Approval

Resolution 23 seeks Shareholder approval to make the proposed amendments to the Constitution in accordance with s.136 of Corporations Act.

Resolution 23 is a special resolution and to be passed requires a 75% majority of the total number of votes cast on the resolution by those Shareholders entitled to vote on the resolution.

The new Constitution becomes effective from the passing of Resolution 23.

22. ENQUIRIES

Shareholders are required to contact the Company Secretary on (+ 61 8) 9226 4500 if they have any queries in respect of the matters set out in these documents.

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GLOSSARY

“\$” means Australian dollars unless otherwise stated;

“**10% Placement Capacity**” has the meaning given to in Section 18.1 of the Explanatory Memorandum;

“**10% Placement Capacity Period**” has the meaning given to in Section 18.3(b) of the Explanatory Memorandum;

“**Annual General Meeting**” means the Annual General Meeting of Shareholders of the Company convened by the notice;

“**Annual Report**” means the Company’s annual report including the reports of the Directors and the auditor and the financial statements of the Company for the year ended 30 June 2014, which can be downloaded from the Company’s website at www.aleatorenergy.com.au

“**ASIC**” means Australian Securities Investment Commission

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

“**Board**” means the board of Directors of the Company;

“**Closely Related Party**” has the meaning given in the Corporations Act;

“**Company**” or “**Aleator Energy**” means Aleator Energy Resources Limited ACN 063 074 635;

“**Constitution**” means the constitution of the Company;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a director of the Company;

“**Eligible Entity**” means an entity that, at the date of the relevant general meeting:

- a) is not included in the S&P/ASX 300 Index; and
- b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

“**Equity Securities**” includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

“**Key Management Personnel**” has the meaning given in the accounting standards;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” means the meeting the subject of the Notice;

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“Notice” means the Notice of Annual General Meeting accompanying this Explanatory Memorandum;

“Option” means an option to acquire one Share;

“Proxy Form” means the proxy form attached to the Notice

“Resolution” means a resolution contained in the Notice;

“Restricted Voter” means the Key Management Personnel and their Closely Related Parties;

“Shareholder” means a holder of Shares;

“Share” means a fully paid ordinary share in the Company;

“Share Placement” has the meaning given in Resolution 21 of the Explanatory Memorandum;

“VWAP” means volume weight average price.

“WST” means Australian Western Standard Time.

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SCHEDULE 1 – ISSUES OF EQUITY SECURITIES SINCE 28 NOVEMBER 2013

Date	Quantity and Class of Equity Securities Issued	Recipients	Issue price and discount to market price (if applicable)¹	Form of consideration
2 December 2013	1,090,789 Shares ²	Sophisticated & Professional Investors	Each share was issued at a price of \$0.00592 for balance remaining on establishment fee of \$6,457.47. Discount to market price: \$0.00008 or 1% discount.	Shares issued were the remaining balance due for the establishment fee under the funding arrangements as announced to the market on 31/10/13 Amount raised: \$Nil Amount spent: \$N/A Spent on: N/A Current Value: \$1,090.79
7 January 2014	100,000,000 Shares ²	Sophisticated & Professional Investors	Each share was issued at a price of \$0.005 for conversion of Convertible Note with face value of \$500,000. Discount to market price: \$0.001 or 17% discount.	Shares issued upon conversion of \$500,000 Convertible Note. Amount raised: \$nil. Amount spent: \$N/A Spent on: N/A Current value:\$100,000
13 March 2014	35,000,000 Shares ²	Sophisticated & Professional Investors	Each share was issued at a price of \$0.002 for implementation fee \$70,000 for the Convertible Note Agreement.	Shares issued were the implementation fee for Convertible Note Agreement Amount raised: \$Nil Amount Spent: \$N/A Spent on: N/A Current value: \$35,000
18 March 2014	10,000 Shares ²	Sophisticated & Professional Investors	Each share was issued at a price of \$0.0006 Discount to market price: \$0.0014 or 70% discount.	Amount raised: \$6. Amount spent: \$6 Spent on: Working capital to support the company's operations Current value: \$10
31 March 2014	37,319,270 Shares ²	Sophisticated & Professional Investors	Each share was issued at a price of \$0.001 for costs and fees associated with roadshow of \$37,319	Shares issued in consideration for professional fees for costs associated with roadshow Amount raised: \$Nil Amount Spent: \$N/A Spent on: N/A Current value: \$37,319

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SCHEDULE 1 – ISSUES OF EQUITY SECURITIES SINCE 28 NOVEMBER 2013 (continued)

Date	Quantity and Class of Equity Securities Issued	Recipients	Issue price and discount to market price (if applicable) 1	Form of consideration
10 April 2014	120,000,000 Shares ²	Sophisticated & Professional Investors	Each share was issued at a price of \$0.0008 for conversion of debt \$96,000 Discount to market price: \$0.0002 or 20% discount.	Shares issued for the conversion of debt under Convertible Note Agreement. Amount raised: \$nil. Amount spent: \$N/A Spent on: N/A Current value: \$120,000
23 May 2014	10,000 Shares ²	Sophisticated & Professional Investors	Each share was issued at a price of \$0.001	Amount raised: \$10. Amount spent: \$10 Spent on: Working capital to support the company's operations Current value: \$10
23 May 2014	236,424,244 Shares ² (176,576,973 issued under ASX Listing Rule 7.1A)	Sophisticated & Professional Investors	Each share was issued at a price of \$0.0008 for aggregate payment of \$189,139 Discount to market price: \$0.0002 or 20% discount.	Shares issued in consideration for debt repayment \$149,139 conversion of debt \$40,000 Amount raised: \$nil Amount Spent: n/a Spent on: n/a Current value: \$236,424

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises) on 28 October 2014 of \$0.001
2. For the purposes of this table the discount is calculated on the Market Price on the trading day prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: AWD (terms are set out in the Constitution).

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PROXY FORM

For the Annual General Meeting to be held at Bentleys, Level 1, 12 Kings Park Road West Perth, Western Australia on 28 November 2014 at 10am WST.

Name Address 1
Name Address 2

I/We.....(name of shareholder) of..... (address)
being a member/members of Aleator Energy Resources Limited hereby appoint:
(name).....of.....(address)
or failing that person then the CHAIRPERSON of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 28 November 2014 at 10am WST at Bentleys, Level 1, 12 Kings Park Road, West Perth, Western Australia, and any adjournment of the meeting.

I/We direct my/our Proxy to vote in the following manner:

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mark Rowbottam as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Prior Issue – Baycrest Fee No 1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Prior Issue – Prospectus (November 2013)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Prior Issue – Baycrest Fee No 2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of Prior Issue – Prospectus (March 2014)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of Prior Issue – Implementation Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Ratification of Prior Issue – Morgans Professional Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Ratification of Prior Issue –Conversion of Convertible Note–Trading and Investment Group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Ratification of Prior Issue – Acuity Capital Professional Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Ratification of Prior Issue – Prospectus (May 2014)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12	Ratification of Prior Issue –Conversion of Convertible Note – Confadent Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13	Ratification of Prior Issue – Conversion of Convertible Note–Revolve Projects Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 14	Conversion of Fees to Lewis Cross	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 15	Conversion of Fees to Gennady Varitsky	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 16	Conversion of Fees to Wal Muir	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 17	Conversion of Fees to Mark Rowbottam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 18	Issue of Shares upon conversion of Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 19	Issue of Shares to creditors of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 20	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 21	Approval of Future Placement of Share	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 22	Approve Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 23	Approve Change to Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.
The Chairperson intends to vote any undirected proxies in favour of the Resolutions.

Dated: 2014

This Proxy is appointed to represent _____% of my voting right, or if 2 proxies are appointed Proxy 1 represents _____% and Proxy 2 represents _____% of my total votes. My total voting right is _____ shares

If the shareholder is an individual:

If the shareholder is a company:

Signature: _____

Affix common seal (if required by Constitution)

Name: _____

Director/Sole Director and Secretary

Director/Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

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INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed under either the common seal of the corporation or under the hand of an officer of the Company or its duly authorised attorney. In the case of joint shareholders, all of the Shareholders should sign..
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) **post to Aleator Energy Limited, c/- PO Box 44, West Perth WA 6872; or**
 - (b) **facsimile to the Company on facsimile number +61 8 9226 4300;**
 - (c) **email to the Company at mross@perth.bentleys.com.au**
6. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this Annual General Meeting **that is by 10am WST on 26 November 2014** by post, facsimile or email to the respective addresses stipulated in this proxy form.
7. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
 - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
 - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
 - (c) if the proxy is Chairperson, the proxy must vote on a poll and must vote that way, and
 - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in anyway that the proxy sees fit.
8. Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
9. The Chairperson intends to vote any undirected proxies in favour of the resolutions.