

**Enhanced Oil & Gas Recovery Limited
ACN 097 771 581**

**Notice of Annual General Meeting
to be held on 30 November 2015**

**Explanatory Memorandum
for the Notice of Annual General Meeting**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES
YOUR IMMEDIATE ATTENTION.
IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE
PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR
OTHER PROFESSIONAL ADVISER.**

**NOTICE OF THE ANNUAL GENERAL MEETING TO BE HELD AT
LEVEL 22 MLC CENTRE, 19 MARTIN PLACE, SYDNEY, NSW 2000
AT 2:30PM SYDNEY TIME ON MONDAY, 30 NOVEMBER 2015**

**TO BE VALID, FORMS OF PROXY FOR USE AT THE ANNUAL GENERAL MEETING MUST BE
COMPLETED AND RETURNED TO THE COMPANY NO LATER THAN
2:30PM SYDNEY TIME ON THURSDAY, 26 NOVEMBER 2015**

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Section A - Letter from the Chair

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GPO Box 3723 Sydney NSW 2001

28 October 2015

Dear Shareholder

The Directors of Enhanced Oil & Gas Recovery Limited ACN 097 771 581 (**Company**) have convened the Annual General Meeting of Shareholders to be held on Monday, 30 November 2015 to:

- table the financial statements and reports of the Company for the financial year ended 30 June 2015;
- vote on the election and re-election of Directors;
- approve the issue of Shares to certain converting noteholders of the Company in accordance with Listing Rule 7.1; and
- approve an additional 10% placement capacity in accordance with Listing Rule 7.1A.


Notice of Annual General Meeting and accompanying documents

This letter is accompanied by a Notice of Annual General Meeting (Section C) and an Explanatory Memorandum (Section D). The Notice of Annual General Meeting sets out the Resolutions that Shareholders are to consider. The Explanatory Memorandum explains in greater detail the background to the proposed Resolutions.

Shareholders are encouraged to read the enclosed Explanatory Memorandum closely in its entirety and to attend the Annual General Meeting and vote on the Resolutions. A proxy form is enclosed at Section E to enable any Shareholder who is unable to attend the Annual General Meeting to vote at the meeting.

The Directors support the Resolutions contained in the Notice of Annual General Meeting and recommend that you vote in favour of all Resolutions, full details of which are contained in the Notice of Annual General Meeting.

Yours faithfully



Ross Hill
Chair

Section B - Glossary

1. Definitions

The following definitions are used in the Letter from the Chair, the Notice of Annual General Meeting and the Explanatory Memorandum:

Annual General Meeting	means the general meeting of the Company to be held on Monday, 30 November 2015 pursuant to the Notice of Annual General Meeting.
Annual Report	means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2015.
Associate	has the meaning given to that term in Part 1.2, Division 2 of the Corporations Act.
ASX	means ASX Limited ACN 008 624 691.
ASX Listing Rules	means the official listing rules issued and enforced by the ASX, as amended from time to time.
Board or Board of Directors	means the board of Directors.
Business Day	means a day which is not a Saturday, Sunday or public holiday in Sydney.
Chair	means the chair of the Company, who is currently Ross Hill.
Company or EOR	means Enhanced Oil & Gas Recovery Limited ACN 097 771 581.
Constitution	means the constitution of the Company, as amended from time to time.
Converting Notes	means the converting notes issued by EOR to each Converting Noteholder pursuant to the Converting Note Agreement.
Converting Note Agreement	means the converting note agreement entered into by the Company and each of the Converting Noteholders.

Converting Noteholder	means a converting noteholder set out in the Schedule of Converting Noteholders contained in paragraph 6 of the Explanatory Memorandum and Converting Noteholders means any two or more of them.
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Directors	means the directors of the Company.
EOR or the Company	means Enhanced Oil & Gas Recovery Limited ACN 097 771 581.
Equity Securities	has the meaning given to that term in ASX Listing Rule 19.12.
Explanatory Memorandum	means the explanatory memorandum set out in Section D of this document.
Notice of Annual General Meeting or Notice	means the notice of Annual General Meeting set out in Section C of this document.
Resolution	means a resolution passed by the requisite majority of Shareholders of the Company on a show of hands or by the requisite majority of votes given on a poll.
Share	means a fully paid ordinary share in the issued capital of the Company and Shares means any two or more of them.
Shareholder	means a holder of a Share.
Trading Day	has the meaning given to that term in ASX Listing Rule 19.12.
VWAP	means the volume weighted average price.

2. Interpretation

For the purposes of interpreting the Letter from the Chair, the Explanatory Memorandum and the Notice of Annual General Meeting:

- (a) the singular includes the plural and vice versa;
- (b) words importing any gender include both genders;

- (c) reference to any statute, ordinance, regulation, rule or other law includes all regulations and other instruments and all consolidations, amendments, re-enactments or replacements for the time being in force;
- (d) all headings, bold typing and italics (if any) have been inserted for convenience of reference only and do not define, limit or affect the meaning or interpretation of the Letter, the Explanatory Memorandum and the Notice of Annual General Meeting;
- (e) reference to persons includes bodies corporate and government authorities and in each and every case, includes a reference to the person's executors, administrators, successors, substitutes (including without limitation persons taking by novation and assignment); and
- (f) reference to **\$, A\$, Australian Dollars** or **dollars** is a reference to the lawful tender for the time being and from time to time of the Commonwealth of Australia.

Section C - Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Enhanced Oil & Gas Recovery Limited ACN 097 771 581 (**EOR** or the **Company**) will be held at Level 22 MLC Centre, 19 Martin Place, Sydney, NSW 2000 on Monday, 30 November 2015 at 2:30pm (Sydney time).

Defined terms used in this Notice of Annual General Meeting have the meanings given to them in the Glossary accompanying this Notice of Annual General Meeting.

1. Ordinary Business

1.1 Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2015, which includes the Financial Report, Directors' Report and Auditor's Report.

Note: The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2015 will be laid before the meeting. There is no requirement for Shareholders to approve those reports. Shareholders will be given an opportunity to raise questions of the Directors and the Company's auditor on the Financial Report and Auditor's Report at the Annual General Meeting.

1.2 Resolution 1: Adoption of Remuneration Report

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

"That, the Remuneration Report for the year ended 30 June 2015 which is attached to the Annual Report as required under section 300A of the Corporations Act 2001 (Cth), be adopted by the Company."

Note: The Remuneration Report is set out in the Directors' Report, specifically on pages 12 and 13 of the Annual Report. In accordance with section 250R(3) of the Corporations Act, the votes cast in respect of this Resolution are advisory only and do not bind the Company.

1.3 Resolution 2: Election of YuJiang (Jodie) Tong as Director

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

"That, YuJiang (Jodie) Tong having retired from her office as a Director in accordance with Rule 7.1(d) of the Constitution and, being eligible, having offered herself for election, be elected as a Director."

1.4 Resolution 3: Re-election of Siew Hong Koh as Director

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

"That, Siew Hong Koh having retired from his office as a Director in accordance with Rule 7.1(f) of the Constitution and, being eligible, having offered himself for re-election, be re-elected as a Director."

2. Special business

2.1 Resolution 4: Issue of Shares to the Converting Noteholders

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

“That, in accordance with ASX Listing Rule 7.1, the Company be permitted and authorised to issue up to 28,250,001 Shares to the Converting Noteholders in consideration for the conversion of 28,250,001 Converting Notes held by them, on the terms more fully described in paragraph 6 of the Explanatory Memorandum.”

2.2 Resolution 5: Approval of 10% placement capacity for issue of Shares

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

“That, in accordance with ASX Listing Rule 7.1A, the Company be permitted and authorised to issue Shares in a number 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), on the terms more fully described in paragraph 7 of the Explanatory Memorandum.”

3. Voting exclusion statements

3.1 Resolution 1

The Corporations Act prohibits any votes being cast on Resolution 1 by or on behalf of a person who is disclosed in the Remuneration Report as a member of the key management personnel of the Company (including the Directors and the Chair) or a closely related party of that key management personnel. However, such a person may cast a vote on Resolution 1 as a proxy for a person who is permitted to vote and the appointment of the proxy specifies the way the proxy is to vote on the resolution.

3.2 Resolution 4

In accordance with the notice requirements of ASX Listing Rule 7.3 for approval under ASX Listing Rule 7.1, and ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 4 by:

- (a) the Converting Noteholders;
- (b) 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
- (c) any Associate of that person(s).

However, the Company will not disregard a vote if:

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

3.3 Resolution 5

In accordance with the notice requirements of ASX Listing Rule 7.3A.7 for approval under ASX Listing Rule 7.1A, and ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 5 by:

- (a) a person who may participate in the issue;
- (b) 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
- (c) any Associate of such persons mentioned in paragraphs 3.3(a) and 3.3(b) above.

However, the Company will not disregard a vote if:

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

4. Determination of membership and voting entitlement

For the purpose of determining a person's entitlement to vote at the Annual General Meeting, a person will be recognised as a member of the Company and the holder of Shares if that person is registered as a holder of those Shares at 5:00 pm Sydney time on Thursday, 26 November 2015, being the second Business Day prior to the date of the Annual General Meeting.

5. Votes of members

On a show of hands, each member present in person or by proxy (or, in the case of a body corporate, by a representative) at the Annual General Meeting will have one vote.

On a poll, every member present in person or by attorney or by proxy (or, in the case of a body corporate, by a representative) shall have one vote for each Share held by him, her or it, provided that all Shares are fully paid.

6. Proxies

Please note that:

- (a) a member entitled to attend and vote at the Annual General Meeting is entitled to appoint no more than two proxies;
- (b) an instrument appointing a proxy must be in the form of the proxy form attached to this Notice of Annual General Meeting;
- (c) where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. If a member appoints two proxies, neither person may vote on a show of hands and on a poll, each person may only exercise the voting rights for the portion of votes the person holds;

- (d) a proxy may be a member of the Company;
- (e) a proxy need not be a member of the Company;
- (f) a proxy form may specify the manner in which the proxy is to vote in respect of a particular Resolution and, where a proxy form so provides, the proxy is not entitled to vote on the Resolution except as specified in the proxy form;
- (g) a proxy has the authority to vote on the member's behalf as he or she thinks fit, on any motion to adjourn the Annual General Meeting, or any other procedural motion, unless the member gives a direction to the contrary;
- (h) a valid proxy form will be deemed to confer authority to demand or join in demanding a poll;
- (i) to be valid, a proxy form must be signed by the member or the member's attorney or, if the member is a corporation, executed in accordance with the corporation's constitution and the Corporations Act (and may be signed on behalf of the corporation by its attorney); and
- (j) to be valid, a proxy form and the power of attorney or other authority (if any) under which it is signed (or an attested copy of it) must be received by no later than 2:30 pm on Thursday, 26 November 2015;

by the Company:

- in person: Enhanced Oil & Gas Recovery Limited
Level 2, 131 Macquarie Street
SYDNEY NSW 2000
Australia
- or - by mail: Enhanced Oil & Gas Recovery Limited
Level 2, 131 Macquarie Street
SYDNEY NSW 2000
Australia
- or - by facsimile: +61 2 9247 6225

by the Company's share registry:

- in person: Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
ABBOTSFORD VIC 3067
Australia
- or - by mail: Computershare Investor Services Pty Limited
GPO Box 242
MELBOURNE VIC 3001
Australia
- or - by facsimile: +61 3 9473 2555

By order of the Board

Graham Kavanagh
Company Secretary

Dated: 28 October 2015
Sydney

Section D - Explanatory Memorandum

1. Introduction

This Explanatory Memorandum contains the information needed for Shareholders to assess the Resolutions to be put to them at the Annual General Meeting of the Company on Monday, 30 November 2015. A Notice of Annual General Meeting accompanies this Explanatory Memorandum.

This Explanatory Memorandum, as well as the Notice of Annual General Meeting, should be read carefully and in their entirety.

The Explanatory Memorandum and Proxy Form are part of this Notice of Annual General Meeting.

2. Annual Report

The Annual Report of the Company for the year ended 30 June 2015 will be laid before the meeting. There is no requirement for Shareholders to approve the Annual Report. Shareholders will be given an opportunity to:

- (a) raise questions to the Directors or make comment on the management of the Company; and
- (b) ask the Company's auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

3. Resolution 1 – Adoption of Remuneration Report

Resolution 1 is proposed for the adoption of the Remuneration Report contained in the Directors' Report referred to in the first item of the agenda set out in the Notice. Under the Corporations Act, the Company is required to present its Remuneration Report to Shareholders for adoption at its Annual General Meeting. The Remuneration Report of the Company for the financial year ended 30 June 2015 is set out in the Directors' Report, specifically on pages 12 and 13 of the Annual Report for the year ended 30 June 2015.

The Annual Report may be accessed on the ASX company announcements platform using the ASX code: EOR. Shareholders will be given a reasonable opportunity to raise questions of the Directors and make comments on the Remuneration Report prior to the Resolution being put to Shareholders. The Resolution to adopt the Remuneration Report is a non-binding Resolution on the Company and its Directors.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report, the Company's next Remuneration Report must explain the Board's proposed action in response or explain why no action has been taken.

In the following year, if at least 25% of the votes cast on the resolution that the Remuneration Report be adopted are against adoption, Shareholders will then vote to determine whether the Directors will need to stand for re-election. If more than 50% of the votes cast on the resolution are in favour, a separate re-election meeting must be held within 90 days.

The Board recommends that Shareholders vote in favour of adopting the Remuneration Report.

4. Resolution 2 – Election of YuJiang (Jodie) Tong

Resolution 2 relates to the election of YuJiang (Jodie) Tong as a Director.

YuJiang (Jodie) Tong was appointed as a Director in accordance with Rule 7.1(d) of the Constitution. Under Rule 7.1(d) of the Constitution, the Directors may appoint any natural person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed, other than the managing director, only holds office until the next general meeting and must then retire from office. Rule 7.1(i) of the Constitution provides that a retiring Director is eligible for election.

In accordance with the Constitution, YuJiang (Jodie) Tong will retire and seek election at the Annual General Meeting.

A brief summary of YuJiang (Jodie) Tong's qualifications and experience is set out below.

YuJiang (Jodie) Tong is currently the Vice General Manager of Shenzhen Xinhongye Communication Co. Ltd (SXC), a publishing company based in Shenzhen, China. SXC publishes a magazine focused on the resources industry.

Ms. Tong joins the Board to lead the Company's fundraising initiatives. She has an extensive business network in China and her educational qualifications include a Bachelor of International Business from Guangxi University in China.

Resolution 2 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

Each of Ross Hill, David Hickie, John Carmody and Siew Hong Koh recommends that Shareholders vote in favour of Resolution 2. YuJiang (Jodie) Tong makes no recommendation regarding Resolution 2 because she has an interest in it.

5. Resolution 3 – Re-election of Siew Hong Koh

Resolution 3 relates to the re-election of Siew Hong Koh as a Director. Under Rule 7.1(f) of the Constitution, one-third of the Company's Directors must resign at each annual general meeting.

Rule 7.1(i) of the Constitution provides that a Director who retires under Rule 7.1(f) of the Constitution is eligible for re-election.

In accordance with the Constitution, Siew Hong Koh will retire by rotation and seek re-election.

Resolution 3 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

Each of Ross Hill, David Hickie, YuJiang (Jodie) Tong and John Carmody recommends that Shareholders vote in favour of Resolution 3. Siew Hong Koh makes no recommendation regarding Resolution 3 because he has an interest in it.

6. Resolution 4 – Issue of Shares to the Converting Noteholders

6.1 Background

As announced to the market on 18 December 2014 and 30 July 2015, the Company has successfully completed a fund raising of \$339,000 by way of the issue of 28,250,001 Converting Notes to the Converting Noteholders.

The Converting Noteholders include sophisticated and professional investors (within the meanings ascribed to those terms in the Corporations Act).

The terms of the Converting Notes are set out in paragraph 6.2 below.

6.2 ASX Listing Rule 7.3 disclosure

ASX Listing Rule 7.1 provides that a company must not issue equity securities without the approval of its shareholders if the number of equity securities to be issued in any 12 month period exceeds 15% of the issued capital of the company preceding the issue.

In issuing the Converting Notes, the Company did not breach ASX Listing Rule 7.1, as the Converting Notes are not considered equity securities until such time as Shareholder approval is obtained. As the Converting Notes have been issued and may not be converted into Shares without Shareholder approval, Resolution 4 seeks approval under the terms of the Converting Notes and ASX Listing Rule 7.1 in respect of the Converting Notes to be converted into Shares.

In accordance with the disclosure requirements set out in ASX Listing Rule 7.3, the following information is provided regarding this ASX Listing Rule 7.1 approval:

ASX Listing Rule Ref	Information Disclosure Requirement	Required Information
7.3.1	<i>Maximum number of securities to be issued</i>	28,250,001 Shares
7.3.2 and 7.3.7	<i>Date by which securities will be issued</i>	Subject to Shareholder approval, the issue and allotment of the Shares to the Converting Noteholders will occur two Business Days after the date of this Annual General Meeting, but in any case no later than three months after the date of this Annual General Meeting
7.3.3	<i>Issue price of securities</i>	\$0.012 per Share (being the deemed issue price for the shares which is the same as the issue price of the Converting Notes)
7.3.4	<i>Names of allottees</i>	The allottees are the Converting Noteholders identified in the Schedule of Converting Noteholders (below). Each is a sophisticated investor. The Converting Noteholders are not related parties of the Company.

ASX Listing Rule Ref	Information Disclosure Requirement	Required Information
7.3.5	<i>Terms of securities</i>	<p>Each Converting Note:</p> <ul style="list-style-type: none"> • has a face value and a conversion price of \$0.012; • is unsecured; • is unlisted; • expires on 31 December 2015 (Expiry Date); and • converts into one Share on the date that Shareholder approval is obtained at the Annual General Meeting. <p>Each Share issued and allotted pursuant to conversion of a Converting Note:</p> <ul style="list-style-type: none"> • ranks pari passu in all respects with other Shares of the Company on issue at the date of the issue and allotment; • may be subject to escrow conditions imposed by ASX for a maximum of 24 months after the Company is reinstated to Official Quotation; and • will be quoted only at such time as the Company re-complies with Chapters 1 and 2 of the ASX Listing Rules <p>If Shareholder approval is not obtained at the Annual General Meeting, the Company must pay to each Converting Noteholder on the Expiry Date in respect of each Converting Note:</p> <ul style="list-style-type: none"> • the principal amount; and • all outstanding interest on the Converting Notes (accrued at the rate of 5% per annum from the date of issue of that Converting Note to the Expiry Date). <p>The rights of the Converting Noteholders will change to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation, including ASX Listing Rule 7.22.1.</p> <p>In all other respects, the rights and entitlements of the Converting Noteholders in respect of the Shares to be issued to them will be identical to the rights and entitlements of the holders of issued Shares.</p>
7.3.6	<i>Intended use of the funds</i>	<p>No funds will be raised from the issue of Shares for the conversion of the Converting Notes into Shares.</p> <p>The funds raised by the issue of the Converting Notes were applied for the purpose of working capital, including preparation for re-listing the Company on the official list of the ASX.</p>
7.3.8	<i>A voting exclusion statement</i>	<p>A voting exclusion statement is included at paragraph 3.2 of the Notice of Annual General Meeting (Section C)</p>

Schedule of Converting Noteholders

No.	Date of Issue	Number of Notes	Issue Price Per Note \$	Total Amount Paid \$	Name of Converting Noteholder	Purpose of Issue
1	18/12/2014	250,000	0.012	3,000	ARLEWIS PTY LTD <atf LEWIS FAMILY SUPERFUND>	Working capital
2	18/12/2014	6,944,417	0.012	83,333	Michael S Gonzalez	Working capital
3	18/12/2014	6,944,417	0.012	83,333	Denise A Gonzalez	Working capital
4	18/12/2014	6,944,500	0.012	83,334	George A Gonzalez	Working capital
5	3/8/2015	850,000	0.012	10,200	Frank Lesko <ATF A K F Superannuation Fund>	Working capital
6	3/8/2015	1,300,000	0.012	15,600	Adrisa Builders Pty Ltd <ATF AKF Family Trust>	Working capital
7	3/8/2015	850,000	0.012	10,200	Joe Ivankovic	Working capital
8	3/8/2015	1,250,000	0.012	15,000	John Maait Super Pty Ltd <ATF John H Maait & Co Superfund>	Working capital
9	3/8/2015	1,916,667	0.012	23,000	Khalid Al-Ali	Working capital
10*	3/8/2015	1,000,000	0.012	12,000	Perfection International Pty Ltd	Working capital
Total:		28,250,001		339,000		

Resolution 4 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

7. Resolution 5 - Approval of the 10% placement facility

7.1 General

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued capital, through placements over a 12 month period, after the Annual General Meeting (**10% Placement**). The 10% Placement is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

For the purposes of ASX Listing Rule 7.1A, an eligible entity is an entity that:

- is not included in the S&P/ASX 300 Index; and
- has a market capitalisation of \$300 million or less.

The Company is an eligible entity.

The Company is seeking to obtain Shareholder approval by way of a special resolution, to enable the Company to issue Equity Securities under the 10% Placement.

The exact number of Equity Securities to be issued under the 10% Placement will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and set out in detail in paragraph 7.2(c), below.

7.2 Description of ASX Listing Rule 7.1A

(a) Shareholder approval

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

(b) Equity Securities

Any Equity Securities issued under the 10% Placement must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of the Notice of Annual General Meeting, the Company has one quoted class of Equity Securities on issue, being Shares.

(c) Formula for calculating the 10% Placement

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

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

- A** is the number of Shares on issue 12 months before the date of issue or agreement:

plus the number of fully paid Shares issued in the 12 months under an exception in ASX Listing Rule 7.2;

plus the number of partly paid Shares that became fully paid in the 12 months;

plus the number of fully paid Shares issued in the 12 months with approval of holders of Shares under ASX Listing Rules 7.1 and 7.4; and

less the number of fully paid Shares cancelled in the 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 Shares under ASX Listing Rules 7.1 or 7.4.

(d) ASX Listing Rules 7.1 and 7.1A

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

At the date of this Notice of Annual General Meeting, the Company has on issue 710,401,721 Shares and therefore, has capacity to issue:

- (i) 106,560,258 Equity Securities under ASX Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 5, 71,040,172 Equity Securities under ASX Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated on the date of issue of Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (see paragraph 9.2(c)).

(e) Minimum issue price

The issue price of Equity Securities issued under ASX Listing Rule 7.1A must not be less than 75% of the volume weighted average price of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph 7.2(e)(i), the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement under ASX Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

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

(10% Placement Period).

7.3 **ASX Listing Rule 7.1A**

The effect of Resolution 5 will be to allow the Company to issue Equity Securities in any existing quoted class, under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1. As at the date of the Notice of Annual General Meeting, the Company has one quoted class of Equity Securities on issue, being Shares.

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

7.4 **Specific Information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement under ASX Listing Rule 7.1A:

(a) **ASX Listing Rule 7.3A.1:** *Minimum price at which the equity securities may be issued*

The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days immediately before:

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

(b) **ASX Listing Rule 7.3A.2:** *Statement of the risk of economic and voting dilution of existing ordinary security holders*

If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement, the existing Shareholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

The table below sets out the potential dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares on issue, being variable "A" in the table, which is calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice of Annual General Meeting.

The table also shows:

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

Variable "A" in ASX Listing Rule 7.1A.2 (subject to the assumptions below)		Dilution		
		50% decrease in Issue Price \$0.004	Issue Price \$0.008	100% increase in Issue Price \$0.016
Current Variable A 710,401,721 Shares	10% voting dilution	71,040,172 Shares	71,040,172 Shares	71,040,172 Shares
	Funds raised	\$284,160,69	\$568,321.38	\$1,136,642.75
50% increase in current Variable A 1,065,602,582 Shares	10% voting dilution	106,560,258 Shares	106,560,258 Shares	106,560,258 Shares
	Funds raised	\$426,241.03	\$852,482.07	\$1,704,964.13
100% increase in current Variable A 1,420,803,442 Shares	10% voting dilution	142,080,344 Shares	142,080,344 Shares	142,080,344 Shares
	Funds raised	\$568,321.38	\$1,136,642.75	\$2,273,285.51

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement, based on that Shareholder's holding at the date of the Annual General Meeting.
- The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1.
- The assumed issue price is \$0.008, being the closing price of Shares on ASX on 17 October 2015.

(c) **ASX Listing Rule 7.3A.3: Date by which securities may be issued**

The Company will only issue the Equity Securities during the 10% Placement Period.

The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or ASX Listing Rule 11.2 (disposal of the Company's main undertaking) during the 10% Placement Period.

(d) **ASX Listing Rule 7.3A.4: Purposes of the issue**

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

- (i) 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; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards the exploration activities at its existing projects and/or for acquisition of new assets or investments (including expenses associated with such acquisition) and general working capital.

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

(e) **ASX Listing Rule 7.3A.5: Details of the allocation policy for issues under the approval**

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

- (i) the methods of raising funds that are available to the Company, including but not limited to, a share placement, rights issue or other issue in which an existing Shareholder(s) can subscribe for Shares;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement have not been determined as at the date of this Notice of Annual General Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or Associates of a related party of the Company. For the avoidance of doubt, the allottees will not include related parties or Associates of a related party of the Company.

(f) **ASX Listing Rule 7.3A.6: Previous approval under ASX Listing Rule 7.1A**

The Company did not seek Shareholder approval under ASX Listing Rule 7.1A at its 2014 annual general meeting (2014 AGM).

(g) **ASX Listing Rule 7.3A.7: A voting exclusion statement**

A voting exclusion statement is included at paragraph 3.3 of the Notice of Annual General Meeting (Section C).

7.5 **Directors' Recommendation**

The Directors recommend that Shareholders vote in favour of Resolution 5. The Directors consider that the approval of the 10% Placement described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under ASX Listing Rule 7.1A in the next 12 months, without further Shareholder approval.

Section E Proxy Form

[see separate attachment]

ENHANCED OIL & GAS RECOVERY LIMITED

ABN 67 097 771 581

T 000001 000 EOR

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

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

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

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

For all enquiries call:

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

Proxy Form

XX

For your vote to be effective it must be received by 2.30pm (Sydney time) on Saturday, 28 November 2015

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions

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

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

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

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

Attending the Meeting

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

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

Turn over to complete the form →



www.investorcentre.com

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

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I999999999



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

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

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

your broker of any changes.

I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Enhanced Oil & Gas Recovery Limited hereby appoint

the Chairman of the Meeting OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Enhanced Oil & Gas Recovery Limited to be held at **Level 22 MLC Centre, 19 Martin Place, Sydney, NSW 2000 on Monday, 30 November 2015 at 2:30pm (Sydney time)** and at any adjournment or postponement of that Meeting.

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

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

STEP 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of YuJiang (Jodie) Tong as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Siew Hong Koh as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Shares to the Converting Noteholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of 10% placement capacity for issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

E OR

9 9 9 9 9 A

Computershare +

ENHANCED OIL & GAS RECOVERY LIMITED

ABN 67 097 771 581

All Correspondence to:-
Computershare Investor Services Pty Limited
GPO Box 2975
MELBOURNE VIC 3001
Australia

M00000212Q02

T 000002 000 EORRM
MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in Enhanced Oil and Gas Recovery Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Securityholder Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

Enhanced Oil & Gas Recovery Limited

