Enhanced Oil & Gas Recovery Limited ACN 097 771 581

Notice of General Meeting to be held on 21 December 2015

Explanatory Memorandum for the Notice of 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 GENERAL MEETING TO BE HELD AT LEVEL 14 AUSTRALIA SQUARE, 264-278 GEORGE STREET, SYDNEY NSW AT 11:00AM SYDNEY TIME ON MONDAY, 21 DECEMBER 2015

TO BE VALID, FORMS OF PROXY FOR USE AT THE GENERAL MEETING MUST BE COMPLETED AND RETURNED TO THE COMPANY NO LATER THAN 11:00AM SYDNEY TIME ON SATURDAY, 19 DECEMBER 2015

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Section A - Letter from the Chair

Enhanced Oil & Gas Recovery Limited

Phone: +61 2 9258 9900 Fax: +61 2 9247 6225

ABN 67 097 771 581 Level 2 Hudson House 131 Macquarie Street Sydney NSW 2000 GPO Box 3723 Sydney NSW 2001

13 November 2015

Dear Shareholder

On 26 October 2015, certain Shareholders of Enhanced Oil & Gas Recovery Limited ACN 097 771 581 (**Company**) representing over 5% of the issued capital of the Company (**Requisitioning Shareholders**) served the Company with a notice requesting that the Directors convene a general meeting of Shareholders pursuant to section 249D of the *Corporations Act 2001* (Cth).

Accordingly, the Directors have convened the General Meeting of Shareholders to be held on Monday, 21 December 2015 for Shareholders to vote on the following Resolutions:

- the appointment of Troy Burns as a Director;
- the removal of Ross Hill, Siew Hong Koh as Directors; and
- the removal of Eric Kam as company secretary of the Company.

Each of Ross Hill, Siew Hong Koh, John Carmody and Jodie Tong as Directors recommend that Shareholders vote against each of the Resolutions as they consider that the proposed Resolutions are not in the best interests of the Company or the vast majority of its Shareholders.

Notice of General Meeting and accompanying documents

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

The Members' Statement provided by the Requisitioning Shareholders (as contained in the Annexure to this Notice) outlines the Requisitioning Shareholders concerns and reasons for requisitioning a meeting.

Shareholders are encouraged to read the enclosed Explanatory Memorandum closely in its entirety and to attend the 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 General Meeting to vote at the meeting.

Yours faithfully

Ross Hill Chair

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Section B - Glossary

1. Definitions

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

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.

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

Directors means the directors of the Company.

EOR or the Company

means Enhanced Oil & Gas Recovery Limited ACN 097 771 581.

Explanatory Memorandum

means the explanatory memorandum set out in Section D of this

document.

General Meeting means the general meeting of the Company to be held on Monday,

21 December 2015 pursuant to the Notice of General Meeting.

Notice of General means the notice of 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.

2. Interpretation

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

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

NOTICE IS HEREBY GIVEN that the General Meeting of the Shareholders of Enhanced Oil & Gas Recovery Limited ACN 097 771 581 (**EOR** or the **Company**) will be held at Level 14 Australia Square, 264-278 George Street, Sydney NSW on Monday, 21 December 2015 at 11:00am (Sydney time).

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

1. Special Business

1.1 Resolution 1: Appointment of Troy Burns as Director

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

"That, Troy Burns be and is hereby appointed as a Director with effect from the close of the General Meeting."

1.2 Resolution 2: Removal of Ross Hill as Director

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

"That, Ross Hill be and is hereby removed as a Director with effect from the close of the General Meeting."

1.3 Resolution 3: Removal 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 be and is hereby removed as a Director with effect from the close of the General Meeting."

1.4 Resolution 4: Removal of Eric Kam as company secretary of the Company

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

"That, Eric Kam be and is hereby removed as company secretary of the Company with effect from the close of the General Meeting."

Voting exclusion statements

No voting exclusions apply to the Resolutions before the meeting under the ASX Listing Rules or the Corporations Act.

Determination of membership and voting entitlement

For the purpose of determining a person's entitlement to vote at the 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, 17 December 2015, being the second Business Day prior to the date of the General Meeting.

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 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.

Proxies

Please note that:

- (a) a member entitled to attend and vote at the 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 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 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;
- 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
- 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 11:00am on Saturday, 19 December 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: 13 November 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 General Meeting of the Company on Monday, 21 December 2015. A Notice of General Meeting accompanies this Explanatory Memorandum.

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

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

2. Background to the General Meeting

2.1 Requisition Notice

On 26 October 2015, the Company received a request to convene a meeting of Shareholders pursuant to section 249D of the Corporations Act (**Requisition Notice**) from the following Shareholders (together, the **Requisitioning Shareholders**), being members of the Company who together, at the date of the Requisition Notice, held at least 5% of the issued capital of the Company.

	Name of Shareholder	Number of Shares	Percentage Shares
1.	Najma Tasneem	15,103,834	2.12%
2.	Clever Money Pty Limited	8,160,350	1.15%
3.	Sacco Developments Australia Pty Limited	16,368,210	2.30%
4.	Troy Burns	600,000	0.08%
Tot	al	40,232,394	5.65%

The Requisitioning Shareholders requested that the Directors convene the General Meeting to consider each of the Resolutions contained in the Notice of General Meeting.

Accordingly, the Directors have convened this General Meeting in response to the Requisition Notice for Shareholders to consider the Resolutions.

2.2 Resolutions

The Resolutions relate to the removal of Ross Hill and Siew Hong Koh as Directors, the removal of Eric Kam as company secretary of the Company and the appointment of Troy Burns as a Director.

2.3 Members' Statement

Section 249P of the Corporations Act provides that the Requisitioning Shareholders may submit a Members' Statement for circulation to Shareholders regarding the Resolutions or any other matter that may be properly considered at the General Meeting.

In accordance with section 249P of the Corporations Act, the Company attaches the Members' Statement received from the Requisitioning Shareholders in the Annexure.

2.4 Company's position

The removal of the Chairman, Ross Hill, Siew Hong Koh, Director and Eric Kam, company secretary at this critical juncture will have serious funding and administrative implications for the Company at a time when the Extended and Amended Co-operation Agreement in respect of the Wailawi Oil & Gas Project in Indonesia has been approved by the Minister of Minerals and Energy in Indonesia.

Siew Hong Koh, in particular, has been instrumental in bring forward to the Company the Wailawi Oil & Gas Project against a difficult background of economic and political change in Indonesia.

Accordingly, the majority of Directors recommend that Shareholders vote against all Resolutions.

3. Resolution 1 – Election of Troy Burns as a Director

Resolution 1 relates to the election of Troy Burns as a Director.

A brief summary of Troy Burns' qualifications and experience is set out in the Annexure.

Resolution 1 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 the Directors (except for David Hickie) recommends that Shareholders vote **against** Resolution 1 as Resolution 1 is not in the best interests of the Company or the majority of Shareholders.

The Chairman intends to vote all available proxies against Resolution 1.

Resolution 2 – Removal of Ross Hill as a Director

Resolution 2 relates to the removal of Ross Hill as a Director.

A brief summary of Ross Hill's qualifications and experience is set out below.

Ross Hill is an experienced lawyer with 20 years of business and professional experience. He has developed extensive practical legal experience in Australia and throughout South East Asia and has provided extensive advisory services to a wide range of highly reputed clients. Ross Hill holds a Bachelor of Legal degree.

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 the Directors (except for Ross Hill) recommends that Shareholders vote **against** Resolution 2 as Resolution 2 is not in the best interests of the Company or the majority of Shareholders. Ross Hill makes no recommendation regarding Resolution 2 because he has an interest in it.

The Chairman intends to vote all available proxies against Resolution 2.

Resolution 3 – Removal of Siew Hong Koh as a Director

Resolution 3 relates to the removal of Siew Hong Koh as a Director.

A brief summary of Siew Hong Koh's qualifications and experience is set out below.

Siew Hong Koh is a director of a number of companies involved in investments in property, technology, energy and mining resources. He has over 20 years of commercial experience in public and private companies. Siew Hong Koh holds a Bachelor of Science degree.

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 the Directors (except for Siew Hong Koh and David Hickie) recommends that Shareholders vote **against** Resolution 3 as Resolution 3 is not in the best interests of the Company or the majority of Shareholders. Siew Hong Koh makes no recommendation regarding Resolution 3 because he has an interest in it.

The Chairman intends to vote all available proxies **against** Resolution 3.

6. Resolution 4 – Removal of Eric Kam as company secretary

Resolution 4 relates to the removal of Eric Kam as company secretary of the Company.

A brief summary of Eric Kam's qualifications and experience is set out below.

Eric Kam has extensive experience in finance and operations management across diverse businesses and industries in engineering, construction, mining and resources, technology, finance, marketing and distribution. He is involved in corporate reconstructions and listing of companies, and is on the board of several other companies.

Eric Kam holds several qualifications, including FCPA, FCMA, MBA, MAICD.

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.

Each of the Directors (except for David Hickie) recommends that Shareholders vote **against** Resolution 4 as Resolution 4 is not in the best interests of the Company or the majority of Shareholders.

The Chairman intends to vote all available proxies against Resolution 4.

Section E Proxy Form

ENHANCED OIL & GAS RECOVERY LIMITED

ABN 67 097 771 581



→ 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 11:00am (Sydney time) Saturday, 19 December 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

A proxy need not be a securityholder of the Company.

Signing Instructions

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

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

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

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

Attending the Meeting

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

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

Turn over to complete the form





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

www.investorcentre.com

Review your securityholding



✓ Update your securityholding

Your secure access information is:

SRN/HIN: 19999999999



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

MR RETURN SAMPLE 123 SAMPLE STREET SAMPLE SURBURB SAMPLETOWN VIC 3030

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



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Proxy STEP 1 Ani		/ote on Your Beh	Please mai	[] 10 mu	icate your d	
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Iter	ns of Business		ark the Abstain box for an item, s or a poll and your votes will no			
					For Against	Abstain
Resolution 1	Appointment of Troy Burns a	s Director				
Resolution 2	Removal of Ross Hill as Dire	ctor				
Resolution 3	Removal of Siew Hong Koh	as Director				
Resolution 4	Removal of Eric Kam as con	npany secretary of the Compa	any			

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.

Individual or Securityholder 1	Securityholder	2	Securityholde	er 3		
Sole Director and Sole Company Secretary	Director		Director/Com	pany Secretary		
Contact		Contact Daytime				
Name		Telephone		Date	1	1





Annexure - Members' Statement

The following is to accompany the notice being sent to shareholders conveying the Extraordinary General Meeting pursuant to the section 249D(1) notice.

Background

Mr Troy Burns in representing Clever Money Pty Ltd and its related parties and other shareholders has been a major supporter of the company and its management since late 2008. However, Mr Burns believes that action must now be taken to protect shareholder interests, be they large or small and to create shareholder value.

It is for this reason that Clever Money and fellow shareholders representing 5.92% of the issued capital of Enhanced Oil & Gas Recovery Limited (EOR), have taken action to schedule an Extraordinary General Meeting. When you also consider other related parties and shareholders known to the shareholders who signed the request pursuant to section 249D(1), this brings the total number of shareholders to 55, representing in excess of 37% of the issued share capital. As such we feel compelled to act now before it is too late to restore shareholder value.

As demonstrated in the company's Financial Accounts, for the years 2009-2015, under the control of the existing management team, the company has incurred significant expenditure of circa \$8,351,000 and as such has raised circa \$8,412,000. These funds have been spent with little or no value created for shareholders (granted the company expended certain monies on the Ka Ber Din Coal Project in Thailand in 2009 and 2010, for this opportunity not to proceed). The company announced in November 2010 its intention to acquire Wailawi Oil & Gas Project (Wailawi). The acquisition has failed to be finalised. Since the existing management team has taken the reigns, shareholders have witnessed significant shareholder dilution. This has seen the number of shares on issue blow out from circa 210 million shares as at 30 June 2009 to circa 710 million shares as at 30 June 2015. Typically, such expansion of the number of shares on issue would be accompanied by an entity such as EOR completing its new direction which would in turn present shareholders with the opportunity to create shareholder value.

It is the intention of Mr Troy Burns in the role of Director to look to restore shareholder value with a view to right-size the operations of the company, direct expenditure to create shareholder value, in conjunction with the change of business direction. It is envisaged that this would involve the completion of the Wailawi acquisition, however in order to bring this to a conclusion one of the first orders of business would be to request the board (of which one of the vendors being Mr S H Koh is currently a board member) agree to a particular date for the vendors (any related party board members would have to abstain themselves from this process) to provide ALL the necessary documentation, approvals etc to enable EOR to instruct its legal advisor to bring to a conclusion the company's due diligence. Failure of the vendor to provide the necessary information by the agreed due date, would mean that EOR could walk away from the transaction. Given the time this has taken, if this was to occur it is not unreasonable for the company to seek an opinion from its legal advisor as to seeking to recover damages from the vendor and its related parties in relation to amounts expended by EOR since 2010 in relation to the acquisition. If this was to occur the company would then be in a position to investigate other opportunities as provided to the company and approved by the board.

Experience

Mr Troy Burns has been an active investor in Australian and international projects since 1998. During this time Mr Burns investment experience has been in the areas of investing and trading in international and domestic equities, property, foreign currency, futures, warrants and options, as well as participating in early rounds of funding and capital raisings for listed and unlisted public companies which were involved in industries such as Agriculture, Biotech, Gas, Gold, Oil, Petroleum, and Information Technology.

Professionally, Mr Burns has a boutique tax accounting and finance practice. He is a Chartered Tax Advisor and Mortgage Broker. Mr Burns is a member of COSL, FBAA, NTAA and The Tax Institute.