
DVM INTERNATIONAL LIMITED

ABN 80 072 964 179

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT

PROXY FORM

TIME: 10:00 am (WST)

DATE: 22 May 2009

PLACE: 103 Abernethy Road
Belmont, WA, 6104

This Notice of Annual General Meeting is an important document and requires your immediate attention. Please read it carefully. If you are in doubt as to what you should do, please consult your professional adviser.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of DVM International Limited which this Notice of Annual General Meeting relates to will be held at 10:00 am (WST) on 22 May 2009 at:

103 Abernethy Road

Belmont, WA, 6104

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 either:

- (a) deliver the proxy form by hand to the Company's registered office at 103 Abernethy Road, Belmont, Western Australia;
- (b) mail the proxy form to the Company's registered office at PO Box 566, Belmont, Western Australia, 6984; or
- (c) send the proxy form by facsimile to the Company on facsimile number +61 8 9277 6818,

so that it is received not later than 10:00 am (WST) on 20 May 2009.

Proxy forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of DVM international Limited will be held at 103 Abernethy Road, Belmont, Western Australia at 10:00 am (WST) on 22 May 2009.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the proxy form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at the close of business on 20 May 2009.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

BUSINESS

The Explanatory Statement which accompanies and forms part of this Notice describes the matters to be considered at the Meeting.

ORDINARY BUSINESS

Reports and Accounts

To receive and consider the financial statements of the Company for the period ended 31 December 2008 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

RESOLUTION 1 – 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 purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of remuneration report as contained in the Company's annual financial report for the financial period ended 31 December 2008.”

Short Explanation: The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed Company's Annual General Meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

RESOLUTION 2 – RE-ELECTION OF A DIRECTOR – MR LEITH WALE

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

"That, Mr Leith Wale, being a Director of the Company who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, is re-elected as a Director of the Company."

Short Explanation: Clause 13.2 of the Constitution requires that at the Annual General Meeting one third of the Directors for the time being shall retire from office. A retiring Director is eligible for re-election. Clause 17.4 of the Constitution states that a Managing Director shall not retire in accordance with clause 13.2

RESOLUTION 3 – RATIFICATION OF PREVIOUS ISSUE OF SHARES AND OPTIONS

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

"That, for the purpose of Listing Rule 7.4 of the Listing Rules of the ASX Limited and for all other purposes, the Company approves the allotment and issue on 10 November 2008 of 211,440 Shares at an issue price of \$0.20 per Share, each with a free attaching Option exercisable at \$0.20 and expiring 30 June 2010, on the terms and conditions as set out in the Explanatory Memorandum accompanying this Notice of General Meeting."

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

RESOLUTION 4 – RATIFICATION OF PREVIOUS ISSUE OF SHARES

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

"That, for the purpose of Listing Rule 7.4 of the Listing Rules of the ASX Limited and for all other purposes, the Company approves the allotment and issue on 16 December 2008 of 4,250,000 Shares at an issue price of \$0.042 per Share, on the terms and conditions as set out in the Explanatory Memorandum accompanying this Notice of General Meeting."

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

DATED: 18 MARCH 2009

BY ORDER OF THE BOARD

**MR MARTIN STEIN
COMPANY SECRETARY
DVM INTERNATIONAL LIMITED**

Voting Exclusion Note:

Where a voting exclusion applies, 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.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting.

1. RESOLUTION 1 – REMUNERATION REPORT

The Remuneration Report is set out in the Director's Report in the Company's 2008 Annual Report. It is also available on the Company's website at www.dvminternational.com.au

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Company at the Annual General Meeting. However, Shareholders should note that the vote on Resolution 1 is advisory only and is not binding on the Company or its Directors.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR

Clause 13.2 of the Constitution of the Company provides that at each annual general meeting one third of the Directors, or if their number is not a multiple of three, then the number nearest to but not more than one third of the directors must retire from office. A retiring director is eligible for re-election. Clause 13.2 of the Constitution is subject to clause 17.4, which states that a Managing Director shall not retire in accordance with clause 13.2.

Pursuant to Resolution 2, Mr Leith Wale retires in accordance with the Constitution and being eligible for re-election, offers himself for re-election at the Meeting.

3. RESOLUTION 3 - RATIFICATION OF PREVIOUS ISSUE OF SHARES AND OPTIONS

Resolution 3 seeks Shareholder ratification of the issue of 211,440 Shares at an issue price of \$0.20 per Share and the grant of 211,440 free attaching Options made on 10 November 2008.

Subject to certain exceptions, Listing Rule 7.1 restricts a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of the company's ordinary securities on issue at the commencement of that period without shareholder approval.

The exception to this rule contained in Listing Rule 7.4 provides an issue made within the 15% limit will be treated as having been made with the approval of shareholders under Listing Rule 7.1 if subsequently approved by shareholders, thereby 'refreshing' the company's ability to issue shares within the 15% limit, and restoring the company's ability to make placements within that limit (if that is thought desirable) without the need for shareholder approval.

The Company, therefore, seeks Shareholder ratification for the issue of the 211,440 Shares and free attaching Options for the purpose of Listing Rule 7.4, so that the Company's ability to issue securities will be 'refreshed' and it will have flexibility to issue further securities should the need or opportunity arise.

In accordance with the requirements of Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the ratification of the issue of the Shares the subject of this resolution:

- (a) the number of Shares and Options issued by the Company was 211,440 Shares and 211,440 free attaching Options;
 - (b) the 211,440 Shares and free attaching Options were allotted to the following persons:
 - 80,000 Shares and free attaching Options to Lytton Nominees Pty Ltd A/C Lytton Super Fund.
 - 131,440 Shares and free attaching Options to City of London Group PLC.
- The allottees were not related parties of the Company.
- (c) the Shares were fully paid ordinary shares in the capital of the Company which rank equally in all respects with the Company's existing Shares. The terms and conditions of the Options are as set out in Appendix 1;
 - (d) the Shares were allotted at an issue price of \$0.20 per Share and the Options were granted for no consideration;
 - (e) the funds raised have been and will be applied by the Company towards ongoing project evaluation and working capital purposes.

4. RESOLUTION 4 - RATIFICATION OF PREVIOUS ISSUE OF SHARES

Resolution 4 seeks Shareholder ratification of the issue of 4,250,000 Shares at an issue price of \$0.042 per Share made on 16 December 2008. The Shares were issued as partial consideration for the acquisition of a 100% interest in license ATP-587-P onshore Queensland.

Subject to certain exceptions, Listing Rule 7.1 restricts a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of the company's ordinary securities on issue at the commencement of that period without shareholder approval.

The exception to this rule contained in Listing Rule 7.4 provides an issue made within the 15% limit will be treated as having been made with the approval of shareholders under Listing Rule 7.1 if subsequently approved by shareholders, thereby 'refreshing' the company's ability to issue shares within the 15% limit, and restoring the company's ability to make placements within that limit (if that is thought desirable) without the need for shareholder approval.

The Company, therefore, seeks Shareholder ratification for the issue of the 4,250,000 Shares for the purpose of Listing Rule 7.4, so that the Company's ability to issue securities will be 'refreshed' and it will have flexibility to issue further securities should the need or opportunity arise.

In accordance with the requirements of Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the ratification of the issue of the Shares the subject of this resolution:

- (a) the number of Shares issued by the Company was 4,250,000 Shares;
- (b) the 4,250,000 Shares were allotted to the following persons:
 - 2,125,000 Shares to Adenmere Pty Ltd.
 - 2,125,000 Shares to Prospect Evaluation Pty Ltd.

The allottees were not related parties of the Company.
- (c) the Shares were fully paid ordinary shares in the capital of the Company which rank equally in all respects with the Company's existing Shares;
- (d) the Shares were allotted at an issue price of \$0.042 per Share;
- (e) there was nil funds raised from the issue of shares. The shares were issued as partial consideration for the acquisition of a 100% interest in license ATP-587-P onshore Queensland.

5. ENQUIRIES

Shareholders should contact the Company Secretary on +61 8 9478 5399 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

Board means the board of directors of the Company.

Company means DVM international Limited (ABN 80 072 964 179).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the directors of the Company.

Explanatory Statement means the explanatory statement to the Notice.

Meeting means the meeting convened by the Notice.

Notice means the notice of annual general meeting accompanying this Explanatory Statement.

Share means a share in the Company.

Shareholder means a shareholder in the Company.

APPENDIX 1

TERMS AND CONDITIONS OF OPTIONS

The terms and conditions of the Options are as follows:

1. Each Option entitles the holder to acquire one fully paid ordinary share in the Company.
2. The Options may be exercised at any time until 30 June 2010. Each Option may be exercised by forwarding to the Company at its principal office the exercise notice, duly completed together with payment of the sum of twenty cents 20 cents per Option exercised. The Options will lapse at 5.00pm WST on 30 June 2010.
3. The Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of Options at any time until 30 June 2010. This right is subject to any restrictions on the transfer of an Option that may be imposed by ASX in circumstances where the Company is listed on ASX.
4. Option holders shall be permitted to participate in new issues of securities on the prior exercise of options in which case the Option holders shall be afforded the period of at least nine (9) business days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise the Option.
5. Shares issued on the exercise of Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of an Option will rank equally with the then issued ordinary shares of the Company in all respects. If the Company is listed on ASX it will, pursuant to the exercise of an Option, apply to ASX for Quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act and the Listing Rules.
6. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital at the time of the reconstruction.
7. If there is a bonus issue to shareholders, the number of shares over which the Option is exercisable may be increased by the number of shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
8. In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced in accordance with Listing Rule 6.22.

DVM INTERNATIONAL LIMITED
ABN 80 072 964 179
Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. 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
5. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. To vote by proxy, please complete and sign the proxy form enclosed:
 - (d) deliver the proxy form by hand to the Company's registered office at 103 Abernethy Road, Belmont, Western Australia;
 - (e) mail the proxy form to the Company's registered office at PO Box 566, Belmont, Western Australia, 6984; or
 - (f) send the proxy form by facsimile to the Company on facsimile number +61 8 9277 6818,

so that it is received not later than 10:00 am (WST) on 20 May 2009.

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