



WILDHORSE

ENERGY

ABN 98 117 085 748

**NOTICE OF ANNUAL GENERAL MEETING
AND
EXPLANATORY STATEMENT**

**For the Annual General Meeting to be held on 17 November 2010
at 10:00am (WST)**

**At Level 21, Allendale Square
77 St Georges Terrace, Perth WA**

*This is an important document. Please read it carefully and in its entirety.
If you do not understand it please consult your professional advisers.*

*If you are unable to attend the Meeting, please complete the form of proxy enclosed and return it in
accordance with the instructions set out on that form.*

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TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE

This Annual General Meeting of the Shareholders of Wildhorse Energy Limited will be held at:

**Level 21, Allendale Square
77 St Georges Terrace
Perth Western Australia**

**Commencing
at 10:00am (WST)
on 17 November 2010**

How to Vote

You may vote by attending the meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person you need to attend the meeting on the date and at the place set out above. The meeting will commence at 10:00am (WST).

Voting and Proxies

1. A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the 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.
3. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 15 November 2010 at 10:00am (WST).
4. To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Annual General Meeting as soon as possible and either:
 - send the proxy form by post to PO Box Z5446, St Georges Terrace, Perth WA 6831
 - send the proxy by facsimile to facsimile number +61 8 9389 2099; or
 - return the proxy form by delivery to the Company's office at Level 21, Allendale Square, 77 St Georges Terrace, Perth, Western Australia

so that it is received not later than 10:00am (WST) on 15 November 2010.

Your proxy form is enclosed.

WILDHORSE ENERGY LIMITED
ABN 98 117 085 748

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the shareholders of Wildhorse Energy Limited will be held at Level 21, Allendale Square, 77 St Georges Terrace, Perth on 17 November 2010 at 10:00am (WST).

The Explanatory Statement to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Statement and the Proxy Form form part of this Notice.

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

AGENDA

Financial, Directors' and Auditor's Reports

To receive and consider the Financial Report, Directors' Report and Auditor's Report of the Company and its controlled entities for the financial year ended 30 June 2010.

Resolution 1 – Adoption of Remuneration Report

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

"That, for the purposes of Section 250R(2) of the Corporations Act, the Remuneration Report be adopted."

Resolution 2 - Re-Election of Director – Mr Mark Hohnen

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

"That, Mr Mark Hohnen, who was appointed during the year and retires in accordance with clause 7.3(f) of the Constitution and, being eligible, offers himself for election, is hereby re-elected as a Director."

Resolution 3 – Re-Election of Director – Mr Ian Middlemas

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

"That, Mr Ian Middlemas, who was appointed during the year and retires in accordance with clause 7.3(f) of the Constitution and, being eligible, offers himself for election, is hereby re-elected as a Director."

Resolution 4 – Re-Election of Director – Mr János Csák

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

"That, Mr János Csák, who was appointed during the year and retires in accordance with clause 7.3 of the Constitution of the Company and, being eligible, offers himself for election, is hereby re-elected as a Director."

Resolution 5 – Re-Election of Director – Mr James Strauss

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

"That, Mr James Strauss, who was appointed during the year and retires in accordance with clause 7.3(f) of the Constitution and, being eligible, offers himself for election, is hereby re-elected as a Director."

Resolution 6 – Re-Election of Director – Mr Brett Mitchell

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

"That, Mr Brett Mitchell, who retires by rotation in accordance with clause 7.3(b) of the Constitution, and being eligible, offers himself for re-election, is hereby re-elected as a Director."

Resolution 7 – Approval of the variation of the terms of Existing Options held by Mr Mark Hohnen

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

"That, for the purposes of Listing Rule 6.23.4, and for all other purposes, approval is given for the Company to vary the terms of the Existing Options currently on issue to Mr Mark Hohnen or his nominee on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution 7 by Mr Hohnen or any of his associates. However, the Company will not disregard a vote if:

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

Resolution 8 – Approval of the variation of the terms of Existing Options held by Mr Matthew Swinney

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

"That, for the purposes of Listing Rule 6.23.4, and for all other purposes, approval is given for the Company to vary the terms of the Existing Options currently on issue to Mr Matthew Swinney or his nominee on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution 8 by Mr Swinney or any of his associates. However, the Company will not disregard a vote if:

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

Resolution 9 – Approval of the Grant of Options Mr János Csák

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

"That, in accordance with Listing Rule 10.11 of the Corporations Act and for all other purposes, Shareholders approve the grant of:

- (a) 1,500,000 Director Class A Options;
- (b) 1,500,000 Director Class B Options; and
- (c) 2,000,000 Director Class C Options;

to Mr János Csák and/or his nominees on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution 9 by Mr Csák or any of his associates. However, the Company will not disregard a vote cast on this Resolution if:

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

Resolution 10 – Approval of the Grant of Options Mr James Strauss

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

"That, in accordance with Listing Rule 10.11 of the Corporations Act and for all other purposes, Shareholders approve the grant of:

- (a) *666,666 Director Class A Options;*
- (b) *666,667 Director Class B Options; and*
- (c) *666,667 Director Class C Options;*

to Mr James Strauss and/or his nominees on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution 10 by Mr Strauss or any of his associates. However, the Company will not disregard a vote cast on this Resolution if:

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

BY ORDER OF THE BOARD



Brett Mitchell
Executive Director
Dated: 18 October 2010

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the Notice.

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

1. FINANCIAL, DIRECTORS' AND AUDITOR'S REPORT

Shareholders will be offered the opportunity to discuss the Financial Report, Directors' Report and Auditor's Report for the financial year ended 30 June 2010 copies of which are available on the Company's website at wildhorse.com.au or by contacting the Company on +61 8 9389 2000.

Shareholders will be offered the opportunity to ask questions or make comment on the management of the Company.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The Remuneration Report is in the Directors' Report section of the Financial Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 30 June 2010.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this Resolution is advisory only, and does not bind the Board or the Company. However, the Board will take the outcome of the vote into consideration when considering the remuneration policy.

The Chairman will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR MARK HOHNEN

Article 7.2(b) of the Constitution gives the Directors authority to appoint other Directors.

Mr Hohnen was appointed as a Director on 23 February 2010.

Article 7.3(f) of the Constitution states that any Director appointed in accordance with Article 7.2(b) must retire at the next Annual General Meeting and is eligible for re-election. Accordingly, Mr Hohnen retires as a Director at this Annual General Meeting and, being eligible, seeks approval to be re-elected as a Director.

A brief resume of Mr Hohnen is contained in the Directors' Report.

The Board unanimously supports the re-election of Mr Hohnen.

4. **RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR IAN MIDDLEMAS**

Article 7.2(b) of the Constitution gives the Directors authority to appoint other Directors.

Mr Middlemas was appointed as a Director on 21 January 2010.

Article 7.3(f) of the Constitution states that any Director appointed in accordance with Article 7.2(b) must retire at the next Annual General Meeting and is eligible for re-election. Accordingly, Mr Middlemas retires as a Director at this Annual General Meeting and, being eligible, seeks approval to be re-elected as a Director.

A brief resume of Mr Middlemas is contained in the Directors' Report.

The Board unanimously supports the re-election of Mr Middlemas.

5. **RESOLUTION 4 – RE-ELECTION OF DIRECTOR – MR JÁNOS CSÁK**

Article 7.2(b) of the Constitution gives the Directors authority to appoint other Directors.

Mr Csák was appointed as a Director on 26 August 2010.

Article 7.3(f) of the Constitution states that any Director appointed in accordance with Article 7.2(b) must retire at the next Annual General Meeting and is eligible for re-election. Accordingly, Mr Csák retires as a Director at this Annual General Meeting and, being eligible, seeks approval to be re-elected as a Director.

A brief resume of Mr. Csák is contained in the Directors' Report.

The Board unanimously supports the re-election of Mr Csák.

6. **RESOLUTION 5– RE-ELECTION OF DIRECTOR – MR JAMES STRAUSS**

Article 7.2(b) of the Constitution gives the Directors authority to appoint other Directors.

Mr Strauss was appointed as a Director on 26 August 2010.

Article 7.3(f) of the Constitution states that any Director appointed in accordance with Article 7.2(b) must retire at the next Annual General Meeting and is eligible for re-election. Accordingly, Mr Strauss retires as a Director at this Annual General Meeting and, being eligible, seeks approval to be re-elected as a Director.

A brief resume of Mr. Strauss is contained in the Directors' Report.

The Board unanimously supports the re-election of Mr Strauss.

7. **Resolution 6 – RE-ELECTION OF DIRECTOR – MR BRETT MITCHELL**

Article 7.3(b) of the Constitution provides that if the Company has less than 3 Directors, one Director must retire at each Annual General Meeting. A Director who has been appointed pursuant to Article 7.2(b) is excluded from the calculation under Article 7.3(b) to determine the retirement of Directors by rotation. Therefore each of Messrs Hohnen, Middlemas, Csák and Strauss are excluded from the calculation under Article 7.3(b).

Article 7.3(d) provides that a Director who retires under Article 7.3(b) is eligible for re-election. Pursuant to these Articles, Mr Brett Mitchell will retire by rotation and seek re-election.

A brief resume of Mr Mitchell is contained in the Directors' Report.

The Board believes that Mr Mitchell has performed the duties and responsibilities of a Director diligently and professionally, in the best interests of all Shareholders. The Board unanimously supports the re-election of Mr Mitchell.

8. **RESOLUTIONS 7 & 8 – APPROVAL OF THE VARIATION OF THE TERMS OF EXISTING OPTIONS HELD BY MESSRS HOHNEN AND SWINNEY**

At a general meeting on 29 January 2010 the Company resolved pursuant to the relevant provisions of the ASX Listing Rules and the Corporations Act to issue an aggregate of 13,000,000 Existing Options to Messrs Hohnen and Swinney (**Existing Options**).

Each of these Existing Options were subject to vesting conditions that one third of each of the allottee's Existing Options vest and become exercisable upon completion of:

- (a) 6 months continuous service as a director of the Company;
- (b) 12 months continuous service as a director of the Company; and
- (c) 24 months continuous service as a director of the Company.

Resolutions 7 and 8 respectively seek Shareholder approval to vary the terms applying to each of the 13,000,000 Existing Options on issue to Messrs Hohnen and Swinney to include the following terms:

"(a) The Options will vest immediately if a Change in Control Event occurs in respect of the Shares of the Company.

(b) For the purposes of paragraph 2, a "Change in Control Event" means:

(i) the occurrence of:

- A. the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and*
- B. that takeover bid has become unconditional (except any condition in relation to the cancellation or exercise of the Options; or*

(ii) the announcement by the Company that:

- A. shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - 1. cancelled; or*
 - 2. transferred to a third party; and**
- B. the Court, by order, approved the proposed scheme of arrangement."*

It was always intended that the Existing Options would be subject to these terms and it was an inadvertent omission that these terms were not included when the Existing Options were approved at the 29 January 2010 meeting.

All other terms and conditions of the Existing Options will remain the same.

Each of Resolutions 7 and 8 are separate resolutions and are not dependent on each other.

ASX Listing Rule 6.23.4

Shareholder approval is required under ASX Listing Rule 6.23.4. ASX Listing Rule 6.23.4 requires that a change in the terms of options which is not prohibited under ASX Listing rule 6.23.3 can only be made if holders of ordinary securities approve the change. The amendments to the Existing Option terms are not prohibited by the ASX Listing Rules.

A voting exclusion statement has been included in the Notice.

9. RESOLUTIONS 9 – APPROVAL OF THE GRANT OF OPTIONS TO MR JÁNOS CSÁK

General

Resolution 9 seeks Shareholder approval pursuant to Listing Rule 10.11 of the Corporations Act for the grant of 5,000,000 Options to Mr Csák and/or his nominees.

The Company believes that it is important to the future of the Company that its management and Directors are sufficiently remunerated to ensure the successful development of the Company by aligning their interest to the success of the Company.

Shareholder approval is required under Listing Rule 10.11 because Mr Csák is a related party of the Company.

Furthermore, Shareholder approval of the grant of the Options means that the grant will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 9 is an ordinary resolution.

Specific Information Required by ASX Listing Rule 10.13

For the purposes of Shareholder approval of the issue of the above Options to Mr Csák and the requirements of Listing Rule 10.13, information is provided as follows:

- (a) 5,000,000 Options will be issued to Mr Csák and/or his nominees.
- (b) The Options will be issued to Mr Csák immediately following completion of the Meeting and in any event no later than 1 month after the date of the Meeting (or such longer period of time as ASX may, in its discretion, allow).
- (c) Each Option will be issued for nil Consideration.
- (d) Each Option entitles Mr Csák to subscribe for one Share. The Options will be granted in three separate classes each with a different exercise price (\$0.30, \$0.40 and \$0.60) and each exercisable on or before 5.00pm (WST) on the date that is 4 years from the date of grant. The Options are not transferrable and will not be quoted on ASX. Further terms and conditions of the Options are in Schedules 1 and 2.
- (e) A voting exclusion statement is included in the Notice.
- (f) No funds will be raised by the issue of the Options as they are being issued for nil consideration.

10. RESOLUTIONS 10 – APPROVAL OF THE GRANT OF OPTIONS TO MR JAMES STRAUSS

General

Resolution 10 seeks Shareholder approval pursuant to Listing Rule 10.11 of the Corporations Act for the grant of 2,000,000 Options to Mr Strauss and/or his nominees.

The Company believes that it is important to the future of the Company that its management and Directors are sufficiently remunerated to ensure the successful development of the Company by aligning their interest to the success of the Company.

Shareholder approval is required under Listing Rule 10.11 because Mr Strauss is a related party of the Company.

Furthermore, Shareholder approval of the issue of the Options means that this issue will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 10 is an ordinary resolution.

Specific Information Required by ASX Listing Rule 10.13

For the purposes of Shareholder approval of the issue of the above Options to Mr Strauss and the requirements of Listing Rule 10.13, information is provided as follows:

- (a) 2,000,000 Options will be issued to Mr Strauss and/or his nominees.
- (b) The Options will be issued to Mr Strauss immediately following completion of the Meeting and in any event no later than 1 month after the date of the Meeting (or such longer period of time as ASX may, in its discretion, allow).
- (c) Each Option will be issued for nil Consideration.
- (d) Each Option entitles Mr Strauss to subscribe for one (1) Share. The Options will be issued in three separate classes each with a different exercise price (\$0.30, \$0.40 and \$0.60) and each exercisable on or before 5.00pm (WST) on the date that is 4 years from the date of grant. The Options are not transferrable and will not be quoted on ASX. Further terms and conditions of the Options are in Schedules 1 and 2.
- (e) A voting exclusion statement is included in the Notice.
- (f) No funds will be raised by the issue of the Options as they are being issued for nil consideration.

WILDHORSE ENERGY LIMITED

ABN 98 117 085 748

GLOSSARY

In this Explanatory Statement, the following expressions have the following meanings:

Annual General Meeting or **Meeting** means the meeting convened by this Notice.

ASX means ASX Limited ABN 98 008 624 691 and where the context permits the Australian Stock Exchange operated by ASX Limited.

ASX Listing Rules or **Listing Rules** means the listing rules of ASX.

Auditor's Report means the auditor's report in the Financial Report.

Board means the board of directors of the Company.

Company means Wildhorse Energy Limited ABN 98 117 085 748.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company from time to time.

Director Class A Options means the Options to be issued on the relevant terms and conditions in Schedules 1 and 2 of this Notice.

Director Class B Options means the Options to be issued on the relevant terms and conditions in Schedules 1 and 2 of this Notice.

Director Class C Options means the Options to be issued on the relevant terms and conditions in Schedules 1 and 2 of this Notice.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities (if any).

Explanatory Statement means this explanatory statement.

Existing Options has the meaning given in paragraph 8 of the Explanatory Statement.

Financial Report means the financial report for the year ended 30 June 2010 prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities (if any).

Notice means this notice of meeting including the Explanatory Statement and the Proxy Form.

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

Proxy Form means the proxy form attached to this Notice.

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

Resolution means a resolution contained in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of Shares.

WST means Western Standard Time, Perth, Western Australia.

Schedule 1 – Options Terms and Conditions

The Options will be granted on the terms and conditions in Schedule 2 and as follows:

Director Class A Options		
Optionholder and number of Options	János Csák and/or nominee – 1,500,000	James Strauss and/or nominee – 666,666
Exercise Price	\$0.30	\$0.30
Expiry Date	5.00pm (WST) on the date which is 4 years from the date of grant	5.00pm (WST) on the date which is 4 years from the date of grant
Vesting Conditions	<p>½ of each allottee's Options vest and become exercisable immediately upon completion of:</p> <p>(a) 6 months continuous service as a director of the Company;</p> <p>(b) 12 months continuous service as a director of the Company; and</p> <p>(c) 24 months continuous service as a director of the Company.</p>	<p>½ of each allottee's Options vest and become exercisable immediately upon completion of:</p> <p>(d) 6 months continuous service as a director of the Company;</p> <p>(e) 12 months continuous service as a director of the Company; and</p> <p>(f) 24 months continuous service as a director of the Company.</p>
Director Class B Options		
Optionholder and number of Options	János Csák and/or nominee – 1,500,000	James Strauss and/or nominee – 666,667
Exercise Price	\$0.40	\$0.40
Expiry Date	5.00pm (WST) on the date which is 4 years from the date of grant	5.00pm (WST) on the date which is 4 years from the date of grant
Vesting Conditions	<p>½ of each allottee's Options vest and become exercisable immediately upon completion of:</p> <p>(a) 6 months continuous service as a director of the Company;</p> <p>(b) 12 months continuous service as a director of the Company; and</p> <p>(c) 24 months continuous service as a director of the Company.</p>	<p>½ of each allottee's Options vest and become exercisable immediately upon completion of:</p> <p>(d) 6 months continuous service as a director of the Company;</p> <p>(e) 12 months continuous service as a director of the Company; and</p> <p>(f) 24 months continuous service as a director of the Company.</p>
Director Class C Options		
Optionholder and number of Options	János Csák and/or nominee – 2,000,000	James Strauss and/or nominee – 666,667
Exercise Price	\$0.60	\$0.60

Expiry Date	5.00pm (WST) on the date which is 4 years from the date of grant	5.00pm (WST) on the date which is 4 years from the date of grant
Vesting Conditions	<p>1/3 of each allottee's Options vest and become exercisable immediately upon completion of:</p> <p>(a) 6 months continuous service as a director of the Company;</p> <p>(b) 12 months continuous service as a director of the Company; and</p> <p>(c) 24 months continuous service as a director of the Company.</p>	<p>1/3 of each allottee's Options vest and become exercisable immediately upon completion of:</p> <p>(d) 6 months continuous service as a director of the Company;</p> <p>(e) 12 months continuous service as a director of the Company; and</p> <p>(f) 24 months continuous service as a director of the Company.</p>

Schedule 2 – General Terms and Conditions of Options

The following terms and conditions apply to each of the Options:

1. The exercise price of each Option (**Exercise Price**), the expiry date of each Option (**Expiry Date**) and the vesting conditions of each Option are in Schedule 1.
2. Each Option exercised will entitle the holder to one fully paid ordinary share in the capital of the Company (**Share**).
3. The Options vest immediately if a Change in Control Event occurs in respect of the Shares of the Company.
4. For the purposes of paragraph 2, a "Change in Control Event" means:
 - (a) the occurrence of:
 - (i) the offer or under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - (ii) that takeover bid has become unconditional (except any condition in relation to the cancellation or exercise of the Options; or
 - (b) the announcement by the Company that:
 - (i) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - (A) cancelled; or
 - (B) transferred to a third party; and
 - (ii) the Court, by order, approved the proposed scheme of arrangement.
5. The notice attached to this certificate has to be completed when exercising the Options (**Notice of Exercise**).
6. Options that have vested (if applicable) may be exercised by the holder completing and forwarding to the Company a Notice of Exercise and payment of the Exercise Price for each Option being exercised prior to the Expiry Date.
7. Shares issued on the exercise of an Option will not be offered for sale by the holder unless:
 - (a) the offer is made under circumstances that do not require disclosure to investors under Part 6D.2 of the Corporations Act; or
 - (b) one of the following occurs:
 - (i) the Company gives ASX a notice that complies with section 708A(5)(e) of the Corporations Act;
 - (ii) the Company lodges a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act; or
 - (iii) expiry of 12 months after issue of the Shares.
8. Unless prohibited under the Corporations Act, in relation to each Share that is issued on the exercise of each Option, the Company will:
 - (a) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; or
 - (b) lodge a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act.

9. All Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then existing Shares.
10. Shares allotted and issued pursuant to the exercise of Options will be allotted and issued not more than 15 Business Days after the receipt of a properly executed Notice of Exercise and payment for the Exercise Price of each Option being exercised. The Company will apply for official quotation on ASX of Shares issued pursuant to the exercise of Options.
11. The holder of Options cannot participate in new issues of securities to holders of Shares unless the Options have been exercised and the Shares have been allotted and registered in respect of the Options before the record date for determining entitlements to the issue. The Company must give notice to the holder of the Options of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules. Options can only be exercised in accordance with these terms and conditions.
12. If the Company makes a pro rata bonus issue of Shares to holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Shares have been allotted and registered in respect of the exercise of Options before the record date for determining entitlements to the bonus issue, then the number of Shares or other securities for which the holder of the Options is entitled to subscribe on exercise of the Options is increased by the number of Shares or other securities that the holder of the Options would have received if the Options had been exercised before the record date for the bonus issue. No change will be made to the Exercise Price.
13. If the Company makes a pro rata issue of securities (except a bonus issue) to the holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the exercise price of a Option shall be reduced according to the following formula:

$$\text{New Exercise Price} = O - \frac{E [P - (S + D)]}{N + 1}$$

O = the old Exercise Price of the Option.

E = the number of underlying Shares into which one Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.
14. In the event of any reorganisation of the issued ordinary capital of the Company (including consolidation, subdivision, reduction or return) the number of Shares attaching to each Option or the Exercise Price of an Option or both will be reorganised in the manner as specified in the ASX Listing Rules at the time of the reorganisation.
15. Subject to paragraphs 12, 13 and 14, the Exercise Price and the number of Shares to be issued on the exercise of Options will not change in the event of a new issue of securities by the Company.
16. The Company will give notice to each holder of the Options of any adjustment to the number of Shares which the holder of the Options is entitled to subscribe for or be issued on exercise of an Option or the Exercise Price of an Option in accordance with the ASX Listing Rules at that time.
17. Options will not be transferrable.
18. Application will not be made for the official quotation on ASX of the Options.

Wildhorse Energy Limited

ABN 98 117 085 748

Proxy form

APPOINTMENT OF PROXY
WILDHORSE ENERGY LIMITED
ABN 98 117 085 748

I/We

being a member of Wildhorse Energy Limited entitled to attend and vote at the Meeting, hereby

Appoint

Name of Proxy

or failing the person so named or, if no person is named, the Chairman of the Annual General Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the Annual General Meeting to be held at Level 21, Allendale Square, 77 St Georges Terrace, Perth WA on 17 November 2010 at 10:00am (WST) and at any adjournment thereof.

Voting on Business of the Annual General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mr Mark Hohnen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director – Mr Ian Middlemas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of Director – Mr János Csák	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Re-election of Director – Mr James Strauss	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Re-election of Director – Mr Brett Mitchell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of the variation of the terms of Existing Options held by Mr Mark Hohnen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of the variation of the terms of Existing Options held by Mr Matthew Swinney	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval of the Grant of Options to Mr Janos Csák	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Approval of the Grant of Options to Mr James Strauss	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If the chair of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box. By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he has an interest in the outcome of the Resolution and that the votes cast by the Chair of the meeting for those Resolutions other than as proxy holder will be disregarded because of that interest. **The Chair intends to vote any such undirected proxies in favour of all Resolutions.** If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the Resolution and your votes will not be counted in calculating the required majority if a poll is called on the Resolution.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Please return this Proxy Form to the Company Secretary, Wildhorse Energy Limited, Level 21, Allendale Square, 77 St Georges Terrace, Perth WA 6000 or by fax to +61 8 9389 2099 by 10:00am (Western Standard Time) on 15 November 2010.

Signed this _____ day of _____ 2010

By:

Individuals and joint holders

Companies (affix common seal if appropriate)

Signature

Director

Signature

Director/Secretary

Signature

Sole Director and Sole Secretary

Wildhorse Energy Limited

ABN 98 117 085 748

Instructions for Completing Proxy Form

1. In accordance with section 249L of the Corporations Act, a shareholder of the Company who is entitled to attend and cast two or more votes at a general meeting of shareholders is entitled to appoint two proxies. 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:
 - 2 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 sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with sections 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 sections 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. In accordance with section 250BA of the Corporations Act the Company specifies the following for the purposes of receipt of proxy appointments:

Postal Address: PO Box Z5446, St Georges Terrace, Perth WA 6831

Registered Office: Level 21, Allendale Square, 77 St Georges Terrace, Perth, Western Australia

Fax Number: +61 8 9389 2099