



15 July 2011

Manager of Company Announcements
ASX Limited
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

By E-Lodgement

Notice of Meeting

Please find attached the Notice of General Meeting of Shareholders to be held on 15 August 2011 has been dispatched today.

On behalf of the Board

Jason Bontempo
Director

MONITOR ENERGY LIMITED

ABN 25 009 121 644

NOTICE OF GENERAL MEETING

TIME: 10.00 am (WST)

DATE: Monday 15th August 2011

PLACE: The Celtic Club (Inc), 48 Ord Street West Perth WA 6005

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company on (+61 8) 9322 7600.

CONTENTS PAGE

| | |
|--|----------|
| Notice of General Meeting (setting out the proposed resolutions) | 4 |
| Explanatory Statement (explaining the proposed resolutions) | 6 |
| Glossary | 15 |
| Proxy Form | Attached |

TIME AND PLACE OF MEETING AND HOW TO VOTE

Venue

The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00 am (WST) on Monday 15th August 2011 at: The Celtic Club (Inc), 48 Ord Street West Perth WA 6005

Your Vote is Important

The business of the General Meeting affects your shareholding and your vote is important.

Voting in Person

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

Voting by Proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Monitor Energy Limited, 945 Wellington Street, West Perth, Western Australia 6005;
- (b) facsimile to Monitor Energy Limited on facsimile number +61 8 9322 7602,

so that it is received not later than 5.00pm (WST) on 12th August 2011.

Proxy Forms received later than this time will be invalid.

LETTER TO SHAREHOLDERS

Dear Shareholder,

On 8th July, 2011 the Company entered into a binding terms sheet in order to acquire Sugarbay Investments Pty Ltd (**Sugarbay**) which holds the rights to acquire a 20% participating but non-operating interest in an oil and gas project in Matagorda County, Texas known as the Matagorda Project (**Acquisition**). The main business of the attached Notice of Meeting is the approval of the issue of Shares as part consideration for the Acquisition and a capital raising to meet the costs associated with the Acquisition.

Overall, the Board views the investment in the Matagorda Project as an excellent opportunity for the Company to gain leverage to an onshore hydrocarbon asset which has the potential to be of significant scale in a jurisdiction that is extremely well serviced in terms of oil and gas infrastructure and services. The Board considers the terms of the Acquisition to be favourable to the Company in the context of the potential upside of the Matagorda Project, and is satisfied that the operator, Dan A. Hughes Co., is sufficiently resourced and experienced in order to carry out the proposed drilling and management of the Matagorda Project on an industry best practice basis.

The Notice of Meeting also contains resolutions which appoint Mr Greg Bandy and Mr Jeremy King to the Board. I expect both Mr Bandy and Mr King will be valuable additions to the Board and they bring a wealth of market, corporate and legal experience with them. Concurrent with their appointment, Mr Mark Gwynne and Mr Paul Kelly shall resign from the Board. The resignation of these directors is a result of the sell-down of Cape Lambert Ltd's holding in the Company, which is conditional on the Acquisition proceeding. The Board would like to thank both of these Directors, Mr Gwynne in particular, for their contribution to the Company and to wish them well in future endeavours.

With the investment in the Matagorda Project and the future development of its prospective energy assets in the Cooper Basin and the Kyrgyz Republic I believe the Company is entering an exciting phase. I encourage you to carefully review the Explanatory Statement that accompanies the Notice of Meeting with respect to the Matagorda Project and the other resolutions. All Board members have confirmed that they intend to vote in favour of all resolutions, subject to any applicable voting restrictions.

Yours faithfully,



Mr Jason Bontempo
Director

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Shareholders will be held at 10.00am (WST) on 15th August 2011 at The Celtic Club (Inc), 48 Ord Street West Perth WA 6005.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the 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 General Meeting are those who are registered Shareholders of the Company at 10.00am (WST) on 13th August 2011.

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

AGENDA

Ordinary Business

Resolution 1 – Placement of Shares

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue 2,000,000,000 Shares at a minimum issue price of \$0.001 per Share to raise \$2,000,000 on the terms and conditions set out in the Explanatory Statement.”

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

Resolution 2 – Issue of Shares in Part Consideration for Acquisition

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

“That, subject to the passing of Resolutions 1, 3, 4, 5 and 6 for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue 2,750,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

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

Resolution 3 – Ratification of Prior Issue of Securities

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 250,000,000 Shares at \$0.002 per Share on the terms and conditions set out in the Explanatory Statement.”

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

Resolution 4 – Re-Election of Director – Mr Jason Bontempo

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

“That, for the purpose of Article 6.3(i) of the Constitution and for all other purposes, Mr Jason Bontempo, a Director who was appointed on 12 July 2011, retires, and being eligible, is re-elected as a Director.”

Resolution 5 – Appointment of Director – Mr Greg Bandy

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

“That, subject to the passing of Resolutions 1 and 2, Mr Greg Bandy be appointed as a Director effective immediately.”

Resolution 6 – Appointment of Director – Mr Jeremy King

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

“That, subject to the passing of Resolutions 1 and 2, Mr Jeremy King be appointed as a Director effective immediately.”

Resolution 7 – Change of Name

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

“That, for the purposes of Section 157(1) of the Corporations act and for all other purposes, the Company change its name to Orca Energy Limited, effective immediately.”

DATED: 15th July 2011
BY ORDER OF THE BOARD



JASON BONTEMPO
DIRECTOR
MONITOR ENERGY LIMITED

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 10.00am (WST) on Monday 15th August 2011 at The Celtic Club (Inc), 48 Ord Street West Perth WA 6005.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. ACQUISITION OF MATAGORDA PROJECT

1.1 Background to Acquisition

As announced to ASX on 12 July 2011, the Company has entered into a binding terms sheet for the acquisition of Sugarbay Investments Pty Ltd (**Sugarbay**) (**Acquisition**), the holder of a right to acquire a 20% interest in the Matagorda Project (**Terms Sheet**). Details of the Matagorda Project is set out in Section 1.2.

The following are the material terms of the Terms Sheet:

- (a) the consideration to be paid for the Acquisition is:
 - (i) A\$1,200,000 being reimbursement for past costs including fees for land, legal, environmental, engineering, geophysical, geological and finance expenses associated with the Matagorda Project; and
 - (ii) the issue of 2,750,000,000 Shares at completion of the Acquisition.(together, the **Consideration**).
- (b) the conditions precedent to settlement of the Acquisition that are contained in the Terms Sheet are:
 - (i) completion of due diligence by the Company on Sugarbay and the Matagorda Project to the satisfaction of the Company;
 - (ii) the Company raising of at least A\$2,000,000 through the issue of 2,000,000,000 Shares at a price of \$0.001 (**Placement**). This is contemplated by Resolution 1;
 - (iii) parties entering into a comprehensive share sale agreement for the Acquisition;
 - (iv) completion of the acquisition by Sugarbay of the 20% interest in the Matagorda Project;
 - (v) all relevant consents and approvals for the Acquisition being obtained on terms acceptable to the Company; and
 - (vi) the Shareholders approving the Acquisition and other resolutions in this Notice of Meeting.

If any of the conditions precedent are not satisfied or waived, the Acquisition will not proceed.

On completion of the Acquisition the Board shall comprise Messrs Bandy, Bontempo and King.

The shareholders of Sugarbay provide warranties to the Company that they are independent and non-associated entities of each other and also provide warranties in respect of Sugarbay and in its interest in the Matagorda Project that are usual for this type of transaction.

1.2 Summary of Matagorda Project

Sugarbay was incorporated to acquire the 20% interest in the Matagorda Project.

Sugarbay holds the rights to acquire a 20% participating interest in the Matagorda Project located in Matagorda County, Texas. Completion of the Acquisition is conditional, inter alia, on the completion of the acquisition by Sugarbay of the 20% interest in the Matagorda Project.

The Matagorda Project (**Matagorda Project** or **Project**) is a high potential oil and gas project located within the prolific Lower Frio trend of the Texas Gulf Coast, where trillions of cubic feet of natural gas and hundreds of millions of barrels of oil have previously been discovered and produced.

The Matagorda Project is a large structural closure with an area of approximately 1,750 acres. It is located in an ideal geological setting on trend with recently drilled wells flowing at sustained rates of 20 million cubic feet of natural gas and 200 barrels of oil per day, without any fracture stimulation. A 17,500 ft. well has been proposed to test the Matagorda trap that has been estimated by the Operator of the Project, to contain prospective resources of more than 300 billion cubic feet of natural gas (Bcf) and 3 million barrels of oil (MMbo) or condensate (mid case). Depending on reservoir thickness and column, the Project could contain prospective resources of more than 1 trillion cubic feet of natural gas (Tcf) and 10 million barrels of oil (MMbo) or condensate (high case).

The Project was delineated from high quality 3D seismic data, the oil and gas industry's best tool for imaging hydrocarbon traps. Nearby wells have confirmed hundreds of feet of high quality reservoir sandstones, and the proposed well is expected to penetrate the objective formation approximately 500 feet higher than the closest well which is 4 km's away and produced gas and condensate from the very top of the objective section. All of the nearby wells have encountered thick, high quality porous sandstones, indicating that the risk of poor reservoir rock is low. Seismic interpretation indicates that the reservoir rocks were in a trapping position in time to receive hydrocarbon charge, and this is supported by other discoveries along trend. Once formed, the Matagorda trap was buried beneath an estimated 8500 ft. of impermeable shale, which formed an ideal seal to keep the oil and gas in place.

The targeted objectives at the Matagorda Project are the same age as those found productive in *Old Ocean Field* (4.9 Tcf) approximately 53 km northeast of the Matagorda Project, and *East Bay City Field* (500 Bcf) approximately 43 km to the northeast. The latest discovery along trend at the *Silverspoon Field*, located approximately 24 km northeast of Matagorda, came on line at over 18 MMcfd and has produced 9.9 Bcf and 100,000 barrels of oil in just over 2 years. *Silverspoon* is still producing at roughly 6.5 MMcfd and has approximately 100 additional feet of pay section behind pipe, which will potentially deliver more gas and condensate.

Monitor's major partner and Operator of the Matagorda Project will be Dan A. Hughes Co., a prominent, independent petroleum exploration and production company with a 43-year record of success in discovering and producing hydrocarbons. Under the direction of Mr. Dan Hughes, with his 56 years of geological experience, and Dan Hughes Jr., with 27 years of experience, the company develops, drills, and operates oil and gas properties throughout Texas, Louisiana, Mississippi, Arkansas and the Rocky Mountains of the United States. Hughes has also made significant discoveries and is currently operating numerous international properties in Colombia, South America. Hughes holds a 50% working interest in the Matagorda Project. Other US companies and their management hold the remaining 30% working interest.

The Operator of the Matagorda Project, Dan A. Hughes Co, is planning to spud the first exploration well as early as Q1 2012.

1.3 Participation Agreement and Joint Operating Agreement

- (a) **Participating Agreement:** Sugarbay is a party to a participating agreement (**Participating Agreement**) pursuant to which it will acquire a 20% participating but non-operating interest in the oil and gas mineral leases that form the Matagorda Project from Crest Resources, Inc.. The Participating Agreement is governed by the laws of the state of Texas, USA and it identifies each of the subject oil and gas mineral leases which form the Matagorda Project, as well as terms customary for an agreement of this kind relating to corporate representations and warranties from both Sugarbay and Crest Resources Inc. In addition, the Participation Agreement delineates an area of mutual interest which the parties with an interest in the Matagorda Project agree certain rights in respect of. A 28% royalty interest exists on the whole of the leases. The Participating Agreement also affects the entry by Sugarbay into the Joint Operating Agreement.

- (b) **Joint Operating Agreement:** By virtue of entry into the Participation Agreement, Sugarbay is a party to a joint operating agreement (**Joint Operating Agreement**) dated February 10, 2011 and originally entered into by Dan A. Hughes Company, LP, Highland Minerals, Inc., NEU Oil and Gas, LLC and GEDD, Inc. The Joint Operating Agreement is based on a model form document prepared by the American Association of Petroleum Landmen and governs the relationship between the parties to such document in respect of the operation and management of the oil and gas mineral leases that form the Matagorda Project. In particular, the Joint Operating Agreement nominates Dan A. Hughes Company, LP as operator of the Project and requires the operator to drill an oil and gas well at the Matagorda Project to a true vertical depth of 17,500 feet on or before 1 March 2012. The Joint Operating Agreement contains various terms and conditions relating to: the role of the operator; drilling and development; expenditures and liability of parties; acquisition, maintenance or transfer of interest and other terms and conditions which are considered customary for a document of its kind.

(c)

1.4 Capital Structure

The capital structure of the Company following implementation of all Resolutions in this Notice is set out below:

| Shares | Number | Percentage |
|--|---------------|------------|
| Shares currently on issue | 4,350,671,434 | 47.81% |
| Shares to be issued under Placement (Resolution 1) | 2,000,000,000 | 21.98% |
| Shares to be issued as part consideration for the Acquisition (Resolution 2) | 2,750,000,000 | 30.22% |
| Total Shares on issue | 9,100,671,434 | 100% |

| Options | Number |
|--|---------------|
| Options (listed) exercisable at \$0.0250 on or before 31 August 2011 | 1,471,850,104 |
| Options (unlisted) exercisable at \$0.0750 on or before 31 December 2011 | 5,000,000 |
| Options (unlisted) exercisable at \$0.006 on or before 3 December 2011 | 77,500,000 |
| Options (unlisted) exercisable at \$0.013 on or before 3 December 2012 | 77,500,000 |
| Options (unlisted) exercisable at \$0.008 on or before 3 December 2014 | 10,000,000 |

2. RESOLUTION 1 – PLACEMENT OF SHARES

2.1 General

Resolution 1 seeks Shareholder approval for the allotment and issue of 2,000,000,000 Shares at a minimum issue price of \$0.001 per Share to raise \$2,000,000 (**Share Placement**).

None of the subscribers pursuant to the Share Placement will be related parties of the Company.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Directors to issue the Shares pursuant to the Share Placement during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

2.2 Technical information required by ASX Listing Rule 7.1

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

- (a) the maximum number of Shares to be issued is 2,000,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) the issue price will be a minimum of \$0.001 per Share;
- (d) the Shares will be issued to sophisticated investors who will not be related parties of the Company. No recipient will hold greater than 20% of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Share Placement towards satisfying the consideration for the Acquisition (\$1,200,000), maintenance of existing assets (\$500,000) administration expenses and working capital (\$300,000).

3. RESOLUTION 2 – ACQUISITION

As summarized in Section 1 of the Explanatory Statement, the Company has entered into the binding Terms Sheet pursuant to which it has agreed to acquire Sugarbay, which is to be assigned a 20% interest in the Matagorda Project. Part of the consideration for the Acquisition is the issue of 2,750,000,000 Shares to the shareholders of Sugarbay, none of whom are related parties of the Company.

Resolution 2 seeks Shareholder approval for the issue of the 2,750,000,000 Shares in part consideration for the Acquisition by the Company.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 of this Explanatory Statement.

The effect of Resolution 2 will be to allow the Directors to issue the Shares during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

3.1 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of Shares pursuant to Resolution 2:

- (a) the maximum number of Shares to be issued is 2,750,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the allotment will occur on one date, being the completion of the Acquisition;
- (c) the Shares will be issued for nil cash consideration as they are being issued in part consideration for the Acquisition by the Company;

- (d) the Shares will be issued to the shareholders of Sugarbay, but no recipient is a related party of the Company. Specifically, the Shares will be issued as follows:

| Shareholder | Consideration Shares |
|--|----------------------|
| James Anthony Gleeson | 300,000,000 |
| Percy Holdings Limited | 850,000,000 |
| J & J Bandy Nominees Pty Ltd < J & J Bandy Super Fund > | 850,000,000 |
| Seventy Three Pty Ltd < King Super Fund No. 3 > | 750,000,000 |
| Total | 2,750,000,000 |

- (e) the Shares will be issued on the same terms and conditions of existing shares on issue; and
- (f) no funds will be raised from the issue of Shares as they are being issued in part consideration for the Acquisition by the Company.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SECURITIES

4.1 General

On 22 February 2011, the Company made a placement of 250,000,000 Shares at \$0.002 per Share to Cape Lambert to raise \$500,000 (**Placement**). The Placement was necessary to inject immediate funds into the Company following termination of the acquisition of oil and gas production licenses in Trinidad.

Cape Lambert is not a related party of the Company.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 of this Explanatory Statement.

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

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

4.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the prior issue of Shares:

- (a) 250,000,000 Shares were allotted and issued;
- (b) the issue price of the Shares was \$0.002 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Cape Lambert which is not a related party of the Company; and
- (e) the funds raised from this issue were used for exploration expenses, administration expenses and working capital.

5. RESOLUTIONS 4, 5 AND 6 – APPOINTMENT OF DIRECTORS

Article 6.2(b) of the Constitution allows the Directors to appoint at any time a person to be a Director in addition to the existing Directors, but only where the total number of Directors does not exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following general meeting and is then eligible for re-election. Mr Jason Bontempo who was appointed as a Director on 12 July 2011, retires in accordance with Article 6.3(i) of the Constitution and being eligible, seeks re-election.

Jason Bontempo

Mr Bontempo is managing director of ASX listed entity International Goldfields Limited (**IGS**). Prior to joining IGS, Mr Bontempo worked in investment banking and corporate advisory since qualifying as a Chartered Accountant with Ernst & Young in 1997. This included working in both equity and debt market divisions for major United Kingdom based investment banks and closely involved with the advising and financing of AIM and ASX listings for resource and venture based companies. Mr Bontempo is also currently a director of Glory Resources Limited and Chameleon Mining NL.

If the Resolutions in this Notice are passed, there will be a complete change in the board of the Company with Mark Gwynne and Paul Kelly resigning and Greg Bandy and Jeremy King being appointed as Directors. Resolutions 5 and 6 seek the appointment of Greg Bandy and Jeremy King as Directors.

Mr. Greg Bandy is a current Director of Red Emperor Resources NL (ASX/AIM: RMP) and a former director of Empire Beer Group (ASX: EEE) (now Car Park Technologies (ASX: CPZ)). Mr. Bandy is a Senior Advisor at Patersons Securities Limited and has over 12 years experience in retail, corporate and capital markets, both in Australia and overseas.

Mr. Jeremy King is a corporate lawyer with over 12 years experience in domestic and international legal, financial and corporate matters. He has extensive corporate experience, particularly in relation to cross-border private equity, leveraged buy-out acquisitions and acting for banks, financial institutions and corporate issuers in respect of various debt and equity capital raisings. As a corporate advisor with Max Capital Pty Limited, he regularly advises a wide range of listed public and private companies in respect of capital raisings, investments, acquisitions and corporate issues. Mr King is a current director of Glory Resources Ltd (ASX: GLY).

6. RESOLUTION 7 – CHANGE OF NAME

Resolution 7 seeks Shareholder approval for the Company to change its name. Section 157 of the Corporations Act provides that a Company may apply to change its name by the members of the Company passing a special resolution to that effect.

It is proposed that the Company name be changed from “Monitor Energy Limited” to Orca Energy Limited effective immediately.

7. ENQUIRIES

Shareholders are required to contact the Company on (+ 61 8) 9322 7600 if they have any queries in respect of the matters set out in these documents.

Competent Person Statement

The information included in this Notice of Meeting that relates to resources was prepared by Mr. Mark A. Patterson. Mr. Patterson has over 30 years of oil and gas experience and is a member of the American Association of Petroleum Geologists, the Society of Exploration Geophysicists, and the Council of Energy Advisors. With over 30 years of oil and gas experience. Estimates as to recoverable hydrocarbon volumes contained in this Notice of Meeting are based upon certain assumptions. Accordingly, actual results will differ, and may differ significantly and materially, from those presented.

Forward Looking Statements

Certain statements contained in this Notice of Meeting, including information as to the future financial or operating performance of Monitor Energy Limited and its projects, are forward looking statements. Such forward looking statements:

- *are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Monitor Energy Limited, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;*
- *involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements; and*
- *may include, among other things, statements regarding targets, estimates and assumptions in respect of production and prices operating costs production prices, and results, capital expenditures, reserves and resources and anticipated flow rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.*

Monitor Energy Limited disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise.

The words “believe”, “expect”, “anticipate”, “indicate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule” and similar expressions identify forward looking statements.

All forward looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward looking statements due to the inherent uncertainty therein.

GLOSSARY

\$ means Australian dollars.

Acquisition means the proposed acquisition by the Company as summarised in Section 1.1.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Cape Lambert means Cape Lambert Resources Limited (ACN 095 047 920).

Company means Monitor Energy Limited (ABN 25 009 121 644).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

General Meeting means the meeting convened by the Notice of Meeting.

Notice of Meeting or **Notice of General Meeting** means this notice of General Meeting including the Explanatory Statement.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Matagorda Project means the project located in Matagorda County, Texas as described in Section 1.2 of the Explanatory Statement.

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

Shareholder means a holder of a Share.

Sugarbay means Sugarbay Investments Pty Ltd (ACN 151 782 866).

WST means Western Standard Time as observed in Perth, Western Australia.

THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK

PROXY FORM

**APPOINTMENT OF PROXY
MONITOR ENERGY LIMITED
ABN 25 009 121 644**

GENERAL MEETING

I/We

of

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

Appoint

Name of proxy

OR the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at 10.00am (WST), on 15th August 2011 at The Celtic Club (Inc), 48 Ord Street West Perth WA 6005, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

If the Chair of the General 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 please place a mark in this box.

By marking this box, you acknowledge that the Chair of the General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 to 3 and that votes cast by the Chair of the General Meeting for Resolutions 1 to 3 other than as proxy holder will be disregarded because of that interest. 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 Resolutions 1 to 3 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 to 3.

OR

Voting on Business of the General Meeting

| | FOR | AGAINST | ABSTAIN |
|--|--------------------------|--------------------------|--------------------------|
| Resolution 1 - Placement of Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 - Issue of Shares for Acquisition | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 - Ratification of Prior Issue of Securities | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 - Re-Election of Director – Mr Jason Bontempo | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5 - Appointment of Director – Mr Greg Bandy | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 6 - Appointment of Director – Mr Jeremy King | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 7 - Change of Name | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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

Signature of Member(s):

Date: _____

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

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

MONITOR ENERGY LIMITED

ABN 25 009 121 644

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at a General Meeting is entitled to appoint not more than 2 proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than 1 proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints 2 proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking 1 of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than 1 box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in 1 name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than 1 name, the vote of the senior who tenders a vote by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register of Shareholders.
 - **(Power of Attorney):** If you have not already provided 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, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Monitor Energy Limited, 945 Wellington Street, Western Australia; or
 - (b) facsimile to Monitor Energy Limited on facsimile number (+61 8) 9322 7602,so that it is received not later than 5.00pm (WST) on 12th August 2011.

Proxy forms received later than this time will be invalid.