



# ALEATOR ENERGY

— LIMITED —

ACN 063 074 635

---

**NOTICE OF ANNUAL GENERAL MEETING**

**PROXY FORM**

**EXPLANATORY MEMORANDUM**

---

**Date of Meeting**

30 November 2012

**Time of Meeting**

9am

**Place of Meeting**

Bentleys, Level 1, 12 Kings Park Road  
West Perth, Western Australia

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an Annual General Meeting of the shareholders of Aleator Energy Limited (**Company** or **Aleator**) will be held at Bentleys, Level 1,12 Kings Park Road West Perth, Western Australia on Friday, 30 November 2012 at 9am (Perth time) for the purpose of transacting the following business.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of Annual General Meeting.

Capitalised terms used in this Notice of Annual General Meeting have the meaning given to them in the Glossary contained in the Explanatory Memorandum.

**VOTING ELIGIBILITY**

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 9am (Perth time) on 28 November 2012.

**AGENDA**

---

**1. FINANCIAL STATEMENTS AND REPORTS**

To receive and consider the financial statements of the Company for the year ended 30 June 2012, together with the declaration of the directors, the Directors Report, the Remuneration Report and the Auditor's Report.

---

**2. RESOLUTION 1 – ADOPTION OF 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 purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report for the Company (including the Directors' Report) as contained in the Company's Annual Report for the financial year ended 30 June 2012."*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

**Voting Prohibition Statement:**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

---

**3. RESOLUTION 2 – RE-ELECTION OF ANTHONY KAIN AS A DIRECTOR**

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

*"That Anthony Kain, who ceases to hold office in accordance with clause 13.2 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

---

**4. RESOLUTION 3 – RE-ELECTION OF MARK ROWBOTTAM AS A DIRECTOR**

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

*"That Mark Rowbottam, who ceases to hold office in accordance with clause 13.5 of the Constitution and, being eligible, offers himself for re-election, be elected a Director of the Company."*

---

**5. RESOLUTION 4 – PLACEMENT - SHARES**

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

*"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to that number of Shares, when multiplied by the issue price, will raise up to \$10,000,000 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, if the Resolution is passed 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.

**6. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT FACILITY**

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

*“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will 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.

---

By order of the Board



---

**Mr Ranko Matic**  
Company Secretary  
Dated: 25 October 2012

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

**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 return by the time and in accordance with the instructions set out on the Proxy Form. All Proxy Forms to be received not later than 9:00am WST on 28<sup>th</sup> November 2012.

**Proxy forms received later than this time will be invalid.**

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

**EXPLANATORY MEMORANDUM**

This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice for Aleator Energy Limited (**Company** or **Aleator Energy**).

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

Capitalised terms used in this Explanatory Memorandum are defined in the Glossary appearing at the end of this Explanatory Memorandum.

The following information should be noted in respect of the various matters contained in the accompanying Notice.

---

## **1. FINANCIAL REPORTS**

The first item of the Notice of Annual General Meeting (**AGM**) deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2012 together with the Directors' declaration and report in relation to that financial year and the auditor's report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
  - the preparation and content of the independent audit report;
  - the accounting policies adopted by the Company in relation to the preparation of accounts; and
  - the independence of the auditor in relation to the conduct of the audit.
- 

## **2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

### **2.1 General**

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

## 2.2 **Voting consequences**

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

## 2.3 **Previous voting results**

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

## 2.4 **Proxy voting restrictions**

Shareholders appointing a proxy for this Resolution should note the following:

**If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy you must direct your proxy how to vote on this Resolution.** Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

**If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member) you do not need**



**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, **you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.**

**If you appoint any other person as your proxy you do not need to direct your proxy how to vote on this Resolution, and you do not need to mark any further acknowledgement on the Proxy Form.**

---

**3. RESOLUTION 2 – RE-ELECTION OF ANTHONY KAIN AS A DIRECTOR**

At every AGM of the Company one-third of the Directors (other than alternate Directors and the Managing Director), shall retire from office. If their number is not a multiple of 3, then such number as is appropriate to ensure that no Director other than alternate Directors and the Managing Director holds office for more than 3 years. A retiring Director is eligible for re-election.

Pursuant to Clause 13.2 of the Constitution, Anthony Kain retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Mr Anthony Kain was appointed a Director on 15 March 2011. Mr Kain spent 15 years as an executive in the oil and gas industry before his current role as a private investor and special counsel focused on Oil & Gas and Mining consulting to law firm Talbot Olivier. He has played and continues to play a key role in the formation and development of numerous privately owned and publicly listed companies working in the resources sector with his most recent focus on the development of resource assets in Mongolia. His experience includes national and international capital raisings, joint ventures and mergers and acquisitions through his exposure to a diverse range of development opportunities, working with technical teams primarily in the energy, energy equipment and resources sector throughout the Asia-Pacific region, Europe, Canada and the USA.

---

**4. RESOLUTION 3 – RE-ELECTION OF MARK ROWBOTTAM AS A DIRECTOR**

Clause 13.5 of the Constitution provides that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following AGM and is then eligible for election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Mark Rowbottam was appointed as a Director on 18 April 2012 and accordingly retires from office at this AGM pursuant to clause 13.5 of the Constitution.

Mr Rowbottam is an experienced corporate executive, advisor and company director. Mr Rowbottam has undergraduate science qualifications and a Master of Business Administration with specialties in corporate administration and marketing. He is a Fellow

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

of the Securities Institute of Australia and active member of the Australian Institute of Company Directors. Mr Rowbottam has more than 15 years' experience in the corporate financial arena and has been involved in many ASX capital raisings, mergers/acquisitions and corporate transactions in the mineral and energy sectors, including the acquisition of the Seychelle assets of Seyco by WHL Energy Limited and the Povorotnoye asset by Aleator Energy Limited. He is a founder and current director of ASX listed Latin Resources Limited.

Resolution 3 seeks approval for the re-election of Mark Rowbottam as Director with effect from the end of the Meeting.

---

**5. RESOLUTION 4 – PLACEMENT – SHARES**

**5.1 General**

Resolution 4 seeks Shareholder approval for the allotment and issue of up to that number of Shares, when multiplied by the issue price, will raise up to \$10,000,000 (**Share Placement**).

On 14 June 2012 the Company obtained shareholder approval, pursuant to ASX Listing Rule 7.1, to make a placement of Shares to raise up to \$10,000,000 in on the same terms as this Resolution 4 (refer to Notice of General Meeting announced to ASX on 14 May 2012). The Company was unable to make that placement within 3 months after the date of the meeting and as such the time frame permitted under that resolution expired. The Company is now seeking Shareholder approval pursuant to Resolution 4 to issue those Shares originally contemplated by the shareholder approval obtained on 14 June 2012.

The Company has yet to determine whether it intends for the Share Placement to occur in one or more tranches. The Company will provide further details to Shareholders in this regard in due course.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 4 will be to allow the Directors to issue the Shares pursuant to the Share Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

**5.2 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 up to that number of Shares which, when multiplied by the issue price, equals \$10,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the 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;

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

- (c) the issue price will be not less than 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made;
- (d) the Directors will determine to whom the Shares will be issued but these persons will not be related parties 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 drilling the first modern well at the Povorotnoye project in Ukraine (see Company announcement on 14 September 2012), potential new project acquisitions, general working capital and administration costs.

---

## **6. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT FACILITY**

### **6.1 General**

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 5, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section **Error! Reference source not found.** below).

The effect of Resolution 5 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 5 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 5 for it to be passed.

### **6.2 ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$17,444,418 as at 24 October 2012.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has two classes of Equity Securities on issue, being the Shares (ASX Code: AWD), and the Options exercisable at \$0.02 on or before 31 January 2015 (ASX Code: AWDO).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
  - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
  - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

### **6.3 Technical information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 5:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 1.1a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid);

**(10% Placement Capacity Period).**

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

<b>Dilution</b>				
<b>Variable 'A' in Listing Rule 7.1A.2</b>	<b>Issue Price (per share)</b>	<b>50% decrease in Current Issue Price \$0.0065</b>	<b>Current Issue Price \$0.013</b>	<b>50% increase in Current Issue Price \$0.0195</b>
<b>Current Variable A</b> 2,111,109,060 Shares	<b>10% Voting Dilution</b>	2,111,109,060 Shares	2,111,109,060 Shares	2,111,109,060 Shares
	<b>Funds Raised</b>	\$1,372,221	\$2,744,442	\$5,488,884
<b>50 % increase in Current Variable A</b> 3,166,663,590 Shares	<b>10% Voting Dilution</b>	3,166,663,590 Shares	3,166,663,590 Shares	3,166,663,590 Shares
	<b>Funds Raised</b>	\$2,058,331	\$4,116,663	\$8,233,325
<b>100 % increase in Current Variable A</b> 4,222,218,120 Shares	<b>10% Voting Dilution</b>	4,222,218,120 Shares	4,222,218,120 Shares	4,222,218,120 Shares
	<b>Funds Raised</b>	\$2,744,442	\$5,488,884	\$10,977,767

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. There are currently 2,111,109,060 Shares on issue comprising:
  - (a) 1,341,878,291 existing Shares as at the date of this Notice of Meeting;
  - (b) 769,230,769 Shares which may be issued if Resolution 5 is passed at this Meeting (based on the current Share price of \$0.013 and assuming the Company issues the maximum number of Shares entitled to be issued pursuant to Resolution 5).
2. The issue price set out above is the closing price of the Shares on the ASX on 23 October 2012.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

**(d) Purpose of Issue under 10% Placement Capacity**

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

- (i) as cash consideration in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets (funds would then be used for the Company's planned drilling program on its Ukraine assets, other project costs, feasibility studies and ongoing project administration), general working capital; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments including previously announced acquisitions, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

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

**(e) Allocation under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the allottees under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company has not previously obtained approval under ASX Listing Rule 7.1A.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the allottees of the Equity Securities and the number of Equity Securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

**6.4 Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 5.

---

**7. ENQUIRIES**

Shareholders are required to contact the Company Secretary on (+ 61 8) 9226 4500 if they have any queries in respect of the matters set out in these documents.



**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

**GLOSSARY**

"\$" means Australian dollars unless otherwise stated;

**"10% Placement Facility"** has the meaning given to in Section 5.1 of the Explanatory Memorandum;

**"10% Placement Period"** has the meaning given to in Section 5.2(f) of the Explanatory Memorandum;

**"Annual General Meeting"** means the Annual General Meeting of Shareholders of the Company convened by the notice;

**"Annual Report"** means the Company's annual report including the reports of the Directors and the auditor and the financial statements of the Company for the year ended 30 June 2012, which can be downloaded from the Company's website at [www.aleatorenergy.com.au](http://www.aleatorenergy.com.au)

**"ASIC"** means Australian Securities Investment Commission

"**ASX**" means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"**Board**" means the board of Directors of the Company;

"**Closely Related Party**" has the meaning given in the Corporations Act;

"**Company**" or "**Aleator Energy**" means Aleator Energy Resources Limited ACN 063 074 635;

"**Constitution**" means the constitution of the Company;

"**Corporations Act**" means the Corporations Act 2001 (Cth);

"**Director**" means a director of the Company;

**"Eligible Entity"** means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

**"Equity Securities"** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

"**Key Management Personnel**" has the meaning given in the accounting standards;

"**Listing Rules**" means the Listing Rules of the ASX;

"**Meeting**" means the meeting the subject of the Notice;

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

"**Notice**" means the Notice of Annual General Meeting accompanying this Explanatory Memorandum;

"**Option**" means an option to acquire one Share;

"**Placement Shares**" has the meaning given in Resolution 5 of the Explanatory Memorandum;

"**Proxy Form**" means the proxy form attached to the Notice

"**Resolution**" means a resolution contained in the Notice;

"**Restricted Voter**" means the Key Management Personnel and their Closely Related Parties;

"**Shareholder**" means a holder of Shares;

"**Share**" means a fully paid ordinary share in the Company;

"**Share Placement**" has the meaning given in Resolution 5 of the Explanatory Memorandum;

"**VWAP**" means volume weight average price.

"**WST**" means Australian Western Standard Time.

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

**PROXY FORM**

For the Annual General Meeting to be held at Bentleys, Level 1, 12 Kings Park Road West Perth, Western Australia on 30 November 2012 at 9am WST.

Name Address 1  
Name Address 2  
Name Address 3

I/We.....(name of shareholder) of..... (address)  
being a member/members of Aleator Energy Resources Limited hereby appoint:  
(name).....of.....(address)  
and/or failing him (name) .....  
of (address) .....  
or failing that person then the CHAIRPERSON of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 30 November 2012 at 9am WST at Bentleys, Level 1, 12 Kings Park Road, West Perth, Western Australia, and any adjournment of the meeting.

**Important for Resolution 1**

If you have not directed your proxy how to vote as your proxy in respect of Resolution[s] [insert all resolutions referred to in paragraph below next to box] and the Chair is, or may by default be, appointed your proxy, you must mark the box below.

I/we direct the Chair to vote in accordance with his/her voting intentions (as set out below) on Resolution 1 (except where I/we have indicated a different voting intention below) and expressly authorise that the Chair may exercise my/our proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel and acknowledge that the Chair may exercise my/our proxy even if the Chair has an interest in the outcome of Resolution 1 and that votes cast by the Chair for Resolution 1, other than as proxy holder, will be disregarded because of that interest.

If the Chair is, or may by default be, appointed your proxy and you do not mark this box and you have not directed the Chair how to vote, the Chair will not cast your votes on Resolution 1 and your votes will not be counted in calculating the required majority if a poll is called on Resolution 1.

I/We direct my/our Proxy to vote in the following manner:

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Anthony Kain as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mark Rowbottam as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Placement - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

The Chairperson intends to vote any undirected proxies in favour of the Resolutions.

Dated: 2012

*This Proxy is appointed to represent \_\_\_% of my voting right, or if 2 proxies are appointed Proxy 1 represents \_\_\_% and Proxy 2 represents \_\_\_% of my total votes  
My total voting right is \_\_\_\_\_ shares*

*If the shareholder is an individual:*  
Signature: \_\_\_\_\_  
Name: \_\_\_\_\_

*If the shareholder is a company:*  
Affix common seal (if required by Constitution)  
\_\_\_\_\_  
Director/Sole Director and Secretary  
\_\_\_\_\_  
Director/Secretary

**Contact Name:** \_\_\_\_\_ **Contact Ph (daytime):** \_\_\_\_\_

**ALEATOR ENERGY LIMITED**  
**ACN 063 074 635**

**INSTRUCTIONS FOR APPOINTMENT OF PROXY**

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed under either the common seal of the corporation or under the hand of an officer of the Company or its duly authorised attorney. In the case of joint shareholders, all of the Shareholders should sign..
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Aleator Energy Limited, PO Box 206, Claremont, Western Australia 6910; or
  - (b) facsimile to the Company on facsimile number +61 8 9385 4400.
6. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this Annual General Meeting **that is by 9am WST on 28 November 2012** by post or facsimile to the respective addresses stipulated in this proxy form.
7. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
  - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
  - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
  - (c) if the proxy is Chairperson, the proxy must vote on a poll and must vote that way, and
  - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in anyway that the proxy sees fit.
8. 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.
9. The Chairperson intends to vote any undirected proxies in favour of the resolutions.