



WILDHORSE

ENERGY

ABN 98 117 085 748

NOTICE OF ANNUAL GENERAL MEETING

**For the Annual General Meeting of the Company to be held at
2:00pm (WST) on Wednesday, 28 November 2012 at
Level 21, Allendale Square
77 St Georges Terrace
Perth, Western Australia**

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

***Should you wish to discuss any matter please do not hesitate to contact the Company by
telephone on +61 8 9389 2000***

WILDHORSE ENERGY LIMITED

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting of Shareholders of Wildhorse Energy Limited (**Company**) will be held at Level 21, Allendale Square, 77 St Georges Terrace, Perth, Western Australia on Wednesday, 28 November 2012 at 2.00pm (WST) (**Meeting**).

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

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 as Shareholders on 26 November 2012 at 5.00pm (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2012, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. Resolution 1 – Remuneration Report

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

"That the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is

connected with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Re-election of Director – Mr Brett Mitchell

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

"That in accordance with article 7.3 of the Constitution and for all other purposes, Mr Brett Mitchell is elected as a Director on the terms and conditions in the Explanatory Memorandum."

4. Resolution 3 – Re-election of Director – Mr Ian Middlemas

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

"That in accordance with article 7.3 of the Constitution and for all other purposes, Mr Ian Middlemas is elected as a Director on the terms and conditions in the Explanatory Memorandum."

5. Resolution 4 – Approval of 10% Placement Facility

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

"That in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of 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 a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of ordinary securities, and any associate of that person (or those persons).

The Company will not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman 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 – Renewal of Performance Rights Plan

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

"That in accordance with Listing Rule 7.2, Exception 9 and for all other purposes, Shareholders approve the renewal of the Wildhorse Energy Employee

Performance Rights Plan and the issue of Performance Rights on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a Director, except one who is ineligible to participate in the Performance Rights Plan, and any associate of that person (or persons).

The Company will not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman 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.

7. Resolution 6 – Appointment of Auditor

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

"That in accordance with section 327B of the Corporations Act and for all other purposes, KPMG is appointed as the Company's auditor on the terms and conditions in the Explanatory Memorandum."

BY ORDER OF THE BOARD



Sophie Raven
Company Secretary

Dated 25 October 2012

WILDHORSE ENERGY LIMITED

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EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at Level 21, Allendale Square, 77 St Georges Terrace, Perth, Western Australia on Wednesday, 28 November 2012 at 2:00pm (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy Holders (Remuneration of Key Management Personnel)

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

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

However, a person described above may cast a vote on Resolution 1 as proxy if the vote is not cast on behalf of a person who is excluded from voting on Resolution 1 and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on the resolution, but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2012.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at www.wildhorse.com.au;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the auditor's report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 Business Days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Adoption of Remuneration Report

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* which came into effect on 1 July 2011, amended the Corporations Act to provide that Shareholders will have the opportunity to remove the whole Board except the managing director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2011 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2013 annual general meeting, this may result in the re-election of the Board.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

Resolution 1 is an ordinary Resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

5. Resolution 2 – Re-election of Director – Mr Brett Mitchell

Article 7.3(a) of the Constitution requires that one third of the Directors retire at each annual general meeting (rounded down to the nearest whole number).

Article 7.3(d) provides that a Director who retires under article 6.3(c) of the Constitution is eligible for re-election.

Resolution 2 therefore provides that Mr Brett Mitchell retires by rotation and seeks re-election.

Details of the qualifications and experience of Mr Brett Mitchell are in the Annual Report.

The Board (excluding Mr Brett Mitchell) recommends that Shareholders vote in favour of Resolution 2.

Resolution 2 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

6. Resolution 3 – Re-election of Director – Mr Ian Middlemas

Article 7.3(a) of the Constitution requires that one third of the Directors retire at each annual general meeting (rounded down to the nearest whole number).

Article 7.3(d) provides that a Director who retires under article 6.3(c) of the Constitution is eligible for re-election.

Resolution 3 therefore provides that Mr Ian Middlemas retires by rotation and seeks re-election.

Details of the qualifications and experience of Mr Ian Middlemas are in the Annual Report.

The Board (excluding Mr Ian Middlemas) recommends that Shareholders vote in favour of Resolution 3.

Resolution 3 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

7. Resolution 4 – Approval of 10% Placement Facility

7.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

Whilst the Company has no current intention to use the 10% Placement Facility, the Company is now seeking Shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) below).

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chairman intends to exercise all available proxies in favour of Resolution 4.

7.2 Description of Listing Rule 7.1 A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being Shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

A is the number of shares on issue 12 months before the date of issue or agreement:

- (1) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (2) plus the number of partly paid shares that became fully paid in the 12 months;
- (3) plus the number of fully paid shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without Shareholder approval;
- (4) less the number of fully paid shares cancelled in the 12 months.

(A) *Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.*

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of the Notice, the Company has on issue 403,058,774 Shares and therefore has a capacity to issue:

- (i) 60,458,816 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being received under Resolution 4, 40,305,877 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) above).

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

7.3 Listing Rule 7.1A

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

7.4 Specific information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (iii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Listed Options, only if the Listed Options are exercised). There is a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (iv) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

- (c) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of the Notice.
- (d) The table also shows:
- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.030 50% decrease in Issue Price	\$0.059 Issue Price	\$0.118 100% increase in Issue Price
Current Variable A 403,058,774	10% voting Dilution	40,305,877 Shares	40,305,877 Shares	40,305,877 Shares
	Funds Raised	\$1,209,176	\$2,378,046	\$4,756,093
50% increase in current	10% voting Dilution	60,458,816 Shares	60,458,816 Shares	60,458,816 Shares

Variable A 604,588,161	Funds Raised	\$1,813,764	\$3,567,070	\$7,134,140
100% increase in current Variable A 806,117,548	10% voting Dilution	80,611,754 Shares	80,611,754 Shares	80,611,754 Shares
	Funds Raised	\$2,418,352	\$4,756,093	\$9,512,186

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No Options are converted into Shares before the date of the issue of the Equity Securities;
 - (iii) 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%.
 - (iv) 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 Facility, based on that Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
 - (vii) The issue price is \$0.059, being the closing price of the Shares on ASX on 19 October 2012.
- (e) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (f) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration in relation to costs associated with the acquisition of energy and resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of energy and resources assets or investments (which may include costs associated with due diligence and engagement of advisors in assessing new energy and resource assets) and/or continued exploration on the Company's existing underground coal gasification and uranium assets in Hungary (including the Mecsek Hills project).
- (g) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (h) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;

- (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).
- (i) The allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.
 - (j) Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.
 - (k) The Company has not previously obtained Shareholder approval under Listing Rule 7.1A.
 - (l) A voting exclusion statement is included in the Notice for Resolution 4.
 - (m) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

8. Resolution 5 – Renewal of Performance Rights Plan

8.1 General

On 1 June 2010 the Company obtained the approval of Shareholders, in accordance with Listing Rule 7.2 Exception 9(b), for the establishment of the Wildhorse Energy Employee Performance Rights Plan (**Performance Rights Plan**) and the issue of Performance Rights under the Performance Rights Plan. A summary of the Performance Rights Plan is in Schedule 2.

The two main purposes of the Performance Rights Plan are to incentivise employees (including executive Directors) to align their interests with those of the Company, and for the Company to reward employees (including executive Directors) for their efforts.

Listing Rule 7.1 prohibits a Company (unless if it falls within one of the exceptions contained in Listing Rule 7.2) from issuing more than 15% of its securities on issue in any 12 month period, without obtaining Shareholder approval.

Listing Rule 7.2 Exception 9(b) provides that an issue of securities to persons participating in an employee incentive scheme where shareholders have approved the issue of securities under the scheme is an exception to Listing Rule 7.1. Shareholder approval must be given in a general meeting held not more than 3 years before the date of issue where the Notice contains or is accompanied by certain prescribed information (set out below).

The initial Shareholder approval of the Performance Rights Plan is due to expire on 1 June 2013.

The purpose of Resolution 5 is for Shareholders to approve the renewal of the Performance Rights Plan for a further 3 year period to enable the Company to issue

Performance Rights under the Performance Rights Plan without reducing the 15% capacity under Listing Rule 7.1.

This approval will be effective for a period of 3 years from the date Shareholders pass Resolution 5.

8.2 Specific information required under Listing Rule 7.2

For the purposes of Listing Rule 7.2 Exception 9(b), information regarding the Performance Rights Plan is provided as follows:

- (a) the terms of the Performance Rights Plan are summarised in Schedule 2;
- (b) the Company has not issued any Performance Rights under the Performance Rights Plan; and
- (c) a voting exclusion statement is included in the Notice.

9. Resolution 6 – Appointment of Auditor

BDO Audit (WA) Pty Ltd (**BDO Audit**) has given the Company a notice of resignation as the auditor of the Company to take effect at this Meeting. Pursuant to section 329(5) of the Corporations Act, BDO Audit has applied to ASIC for consent to the resignation. At the date of this Notice, ASIC's consent has not been obtained. However, it is anticipated that ASIC's consent will be obtained prior to the date of the Meeting. In the event ASIC's consent is not obtained prior to the Meeting, this Resolution will be not be put to Shareholders.

The Directors have selected KPMG Australia (**KPMG**) to be the new auditor of the Company as KPMG has a branch in Hungary, where the Company has most of its operations. In accordance with subsection 328B(1) of the Corporations Act, a Shareholder has nominated KPMG and KPMG has consented to act as the auditor of the Company. A copy of the nomination letter is attached as Schedule 3.

Resolution 6 seeks Shareholder approval pursuant to section 327B(1)(b) of the Corporations Act to appoint KPMG as the auditor of the Company.

Resolution 6 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 6.

Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

10% Placement Facility has the meaning given in Section 7.1.

10% Placement Period has the meaning given in Section 7.2(f).

Annual Report means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2012.

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

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

Board means the board of Directors of the Company.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth.

Chairman means the person appointed to chair the Meeting of the Company convened by the Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Wildhorse Energy Limited ABN 98 117 085 748.

Constitution means the constitution of the Company as at the date of the Meeting.

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

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Notice means this notice of annual general meeting.

Option means an option to acquire a Share.

Performance Right means a performance right issued under the Performance Rights Plan.

Performance Rights Plan has the meaning in Section 8.

Proxy Form means the proxy form attached to the Notice.

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

Resolution means a resolution referred to in the Notice.

Schedule means a schedule to the Notice.

Section means a section of the Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Strike has the meaning given in Section 4.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means volume weighted average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

Schedule 2 – Summary of the Performance Rights Plan

Participation

The Board wishes to issue Performance Rights under the Performance Rights Plan to employees and executive Directors to achieve the objectives outlined above. A Performance Right is a right to be issued a Share upon satisfaction of certain performance conditions that are attached to the Performance Right, as determined by the Board. In accordance with the requirements of the Listing Rules, prior Shareholder approval will be required before any Director or related party of the Company can participate in the Performance Rights Plan.

Performance Conditions

Performance Rights granted under the Performance Rights Plan will be subject to performance conditions as determined by the Board from time to time. These performance conditions must be satisfied in order for the Performance Rights to vest. Upon Performance Rights vesting, Shares will be issued.

The main features of the Performance Rights Plan are:

1. **Eligible Participants:** The eligible participants under the Performance Rights Plan are employees and executive Directors of the Company determined by the Board to be eligible to receive grants of Performance Rights.
2. **Limits on Entitlements:** The Performance Rights Plan has a fixed maximum percentage of Shares that may be issued under it. The maximum number of Shares that is issuable under the Performance Rights Plan, when combined with the number of Shares issued during the previous five years pursuant to the Performance Rights Plan or any other employee incentive scheme of the Company; but disregarding any offer made, or Performance Rights acquired or Shares issued by way of or as a result of: (i) an offer to a person situated at the time of receipt of the offer outside Australia; or (ii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or (iii) an offer made under a disclosure document, must not exceed 5% of the total number of issued Shares.
3. **Issue Price and Exercise Price:** The Board shall determine whether an issue price is payable in connection with the grant of a Performance Right. Upon Performance Rights vesting under the Plan, Shares may be issued for no consideration, or the Board may, at the time of grant, in its discretion, specify an exercise price payable for the issuance of Shares as a performance condition attached to a Performance Right.
4. **Vesting:** The Performance Rights issued under the Performance Rights Plan and the performance conditions that must be satisfied in order for the Performance Rights to vest, at which time the Company is then obliged to issue a specified number of Shares to the participant, are established by the Board and expressed in a written offer (the **Offer**) made by the Company to each eligible participant which, subject to acceptance by the eligible participant within a specified period, is then subject to re-affirmation by the Board. These may vary between different participants. The performance conditions will be determined by the Board and will include an expiry date and other terms to be set out in the Offer. The Board shall determine whether performance conditions have been met and Performance Rights therefore have vested. Upon Performance Rights becoming vested, the Company shall issue Shares to the participant, without any further action being required on the part of the participant subject to any payment of the exercise price (if any).
5. **Term & Lapse:** Performance rights have a term as the Board may determine in its absolute discretion and specify in the Offer, and are subject to lapsing if performance conditions are not met by the relevant measurement date or expiry date (if no other

measurement date is specified) or if employment is terminated for cause or in circumstances other than as described in the next paragraph.

6. **Retirement, Disability, Redundancy or Death:** Upon the retirement, disability, redundancy or death of a participant, as defined in the Performance Rights Plan, provided that a participant continues to satisfy any other relevant conditions imposed by the Board at the time of grant, the Performance Rights will vest at the discretion of the Board.
7. **Assignment:** Without approval of the Board, Performance Rights may not be transferred, assigned or novated, except upon death, a participant's legal personal representative may elect to be registered as the new holder of such Performance Rights and exercise any rights in respect of them.
8. **Takeover Bid or Change of Control:** All Performance Rights will vest at the discretion of the Board in the event of (i) a takeover bid (ii) a change of control of the Company, or (iii) approval by the court of a merger by way of scheme of arrangement.
9. **Alteration in Share Capital:** The Board is empowered to make, without being required to seek shareholder approval, appropriate adjustments to Performance Rights in the event of a variation of the share capital of the Company.
10. **Suspension or Termination:** The Board may suspend or terminate the Performance Rights Plan at any time.

Schedule 3 – Nomination of Auditor

25 October 2012

The Directors
Wildhorse Energy Limited
Level 21, Allendale Square
77 St Georges Terrace
Perth WA 6000

Dear Sirs

NOMINATION OF AUDITOR

For the purposes of section 328B(1) of the Corporations Act 2001, Rachel Jelleff, being a member of Wildhorse Energy Limited, hereby nominates KPMG of 235 St George's Terrace, Perth, Western Australia, for appointment as auditor of Wildhorse Energy Limited at the Company's next Annual General Meeting.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Rachel Jelleff', with a stylized, cursive script.

Rachel Jelleff

PROXY FORM

The Company Secretary
Wildhorse Energy Limited

By delivery:
Level 21, Allendale Square
77 St Georges Terrace
Perth WA 6000

By post:
P.O. Box Z5446
St Georges Terrace
Perth WA 6831

By facsimile:
+61 8 9389 2099

Name of Shareholder:

Address of Shareholder:

Number of Shares entitled to vote:

Please mark to indicate your directions. Further instructions are provided overleaf.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the Meeting.

Step 1 - Appoint a Proxy to Vote on Your Behalf

The Chairman (mark box) **OR** if you are **NOT** appointing the Chairman as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Meeting to be held at 2.00 pm (WST time) on Wednesday, 28 November 2012, at Level 21, Allendale Square, 77 St Georges Terrace, Perth, Western Australia and at any adjournment or postponement of that Meeting.

Important – If the Chairman is your proxy or is appointed your proxy by default

The Chairman intends to vote all available proxies in favour of Resolution 1. If the Chairman is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolution 1, you will be authorising the Chairman to vote in accordance with the Chairman's voting intentions on Resolution 1 even if Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 5.

If the Chairman 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 the Resolution 5, please place a mark in the box.

By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of the Resolution 5 and that votes cast by the Chairman of the Meeting for those Resolution 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 Chairman 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.

Step 2 - Instructions as to Voting on Resolutions

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

		For	Against	Abstain*
Resolution 1	Remuneration Report			
Resolution 2	Re-election of Director – Mr Brett Mitchell			
Resolution 3	Re-election of Director – Mr Ian Middlemas			
Resolution 4	Approval of 10% Placement Facility			
Resolution 5	Renewal of Performance Rights Plan			
Resolution 6	Appointment of Auditor			

The Chairman intends to vote all available proxies in favour of each Resolution.

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

Authorised signature/s

This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the office of the Company at Level 21, Allendale Square, 77 St Georges Terrace, Perth, Western Australia, or by post to P.O. Box Z5446, St Georges Terrace, Perth WA 6831, or facsimile (08) 9389 2099 if faxed from within Australia or +61 8 9389 2099 if faxed from outside Australia), not less than 48 hours prior to the time of commencement of the Meeting (WST).