



## Notice of Annual General Meeting

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Notice is hereby given that the fifty-eighth Annual General Meeting of Shareholders of **Longreach Oil Limited** will be held at the International Nippon Australia & New Zealand Club, Lower Ground Floor, 229 Macquarie Street, Sydney on **Tuesday, 29 November 2011 at 5.15 p.m.**

### Business

To receive and consider the Financial Report for the year ended 30 June 2011 and the Reports of the Directors and Auditors.

### Ordinary Resolutions

To consider and if thought fit to pass the following resolutions, with or without modification, as Ordinary Resolutions:

1. "THAT the Remuneration Report of the company and the entities it controlled during the year for the year ended 30 June 2011 be considered and adopted."
2. "THAT Mr B Ganke, who retires by rotation and being eligible offers himself for re-election, be re-elected as a Director of the Company".
3. "THAT Mr B D Burrell having been appointed as a Director since the last Annual General Meeting and who retires in accordance with the Constitution and being eligible, be elected as a Director of the Company".

### Special Business

4. "THAT under the provisions of Listing Rule 7.1 the Directors be authorised to make placements of up to three hundred million (300,000,000) ordinary fully paid shares in the capital of the company at a price of 6 (six) cents each or at a price of not less than 80% of the average market price, within three months from the date of this meeting, or such other time as may be approved by the ASX, to persons, companies and institutions as the Directors may determine, other than related parties as defined in the Corporations Act".
5. "THAT under the provisions of Listing Rule 10.17, the Directors' fees, which have been fixed at \$10,000 per Director per annum with a maximum of \$60,000 per annum for all Directors, be increased to the maximum aggregate amount of \$150,000 per annum, to be apportioned as the Board may decide amongst current non-executive Directors and/or any additional non-executive Directors that may be appointed".

To transact any other business which may be brought forward in accordance with the Company's Constitution.

### Explanation re: Resolution 1

#### Adoption of Remuneration Report

1. In accordance with of the Corporations Act 2001, the Remuneration Report is put to shareholders for adoption. The Remuneration Report is included in the Directors' Statutory Report. The vote on this Resolution is advisory only and does not bind the Directors or the company. Reasonable opportunity for shareholders to ask questions about or comment on the Remuneration Report will be given at the meeting.
2. Any undirected proxies held by the Chairman of the meeting, other Directors or other key management personnel or any of their closely related parties will not be voted on Resolution 1 (Remuneration Report).
3. Key management personnel of LGO are the directors of LGO and those other persons having authority and responsibility for planning, directing and controlling the activities of LGO, directly or indirectly. The Remuneration Report identifies LGO's key management personnel for the financial year to 30 June 2011. Their closely related parties are defined in the Corporations Act 2001, and include certain of their family members, dependants and companies they control.
4. The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.
5. If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors must go up for re-election.

## **Notice of Annual General Meeting** *(cont'd)*

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### **Explanation re: Resolution 4**

#### **Intended use of funds raised**

When any capital will be raised by way of placements, the funds raised will be used for general purposes and for the acquisition of oil and gas and energy interests by farm-ins or by direct applications.

#### **Allottees**

There is at present no definite basis on which Directors will decide who the allottees will be. If any issue of shares is to be made, Directors will allot the shares to any investors (other than related parties) who are prepared to take up shares in the company at the best price obtainable but not less than the minimum issue price of 80% of the average market price calculated over the last five days on which sales were recorded before the day on which the issue will be made in accordance with Australian Securities Exchange Rule 7.3.3.

When any shares are placed they will be allotted progressively. Any such shares would rank *pari passu* with existing shares.

#### **Voting exclusion statement in respect of Resolution 4**

Any votes cast on the Resolution by any person who may participate in the proposed share issue and any associate of that person and by any person who might obtain a benefit, except solely in the capacity of a shareholder, if the Resolution is passed and any associate of that person, shall be disregarded.

Subject to the previous paragraph, if a vote is cast by a person as 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, the vote will not be disregarded.

### **Explanation in respect of Resolution 5**

The Board considers that it is fair and reasonable at this time to seek the increase in the maximum aggregate non-executive Directors' fees, especially given the increased responsibilities of non-executive Directors and as Directors' fees have not been increased since 1996.

It will also allow flexibility to appoint additional non-executive Directors when it may be appropriate. The proposed increase of the maximum aggregate non-executive Directors' fees by \$90,000 does not necessarily mean that current non-executive Directors' remuneration will be increased up to the maximum amount.

### ***Voting exclusion Statement in respect of Resolution 5***

The Company will disregard any votes cast on Resolution 5 by any Director of the Company, and any associate of any Director of the Company. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by a 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

P C Hetherton  
Secretary

October 2011

### **PROXIES**

Members unable to attend the Meeting are invited to complete and lodge the Proxy Form enclosed. A Member entitled to attend and vote may appoint not more than two proxies, who need not be members. When more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the member's voting rights. To be valid, proxies may be lodged at the company's Registered Office - 9th floor, 82 Elizabeth Street, Sydney, NSW, Australia - or may be transmitted to FAX number (02) 9233 6475 - or sent via e-mail to **lgo@longreachoil.com** - and must be received no later than forty-eight (48) hours before the scheduled start of the Meeting.

**LONGREACH OIL LIMITED**

A.B.N. 98 000 131 797



**PROXY FORM**

**REGISTERED & ADMINISTRATIVE OFFICE:**

9th Floor, 82 Elizabeth Street,  
Sydney NSW 2000  
Phone: (02) 9233 6022

**MAIL TO:**

GPO BOX 4246  
Sydney NSW 2001

.....  
(Name of Shareholder - Block Letters Please)

of .....  
(Address)

being a member of **LONGREACH OIL LIMITED**, hereby appoint/s:

..... to represent .....% of voting rights,  
(Name of Proxy)

and/or:

..... to represent .....% of voting rights,  
(Name of Proxy)

or, failing either one, the Chairman of the Meeting as the Proxy to vote at the Annual General Meeting of the company to be held at **5.15pm** on **Tuesday, 29 November 2011** at Lower Ground Floor, 229 Macquarie Street, Sydney and at any adjournment thereof.

**The Chairman intends to vote undirected proxies FOR all of the proposed resolutions.**

**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 a resolution, please place a mark in this 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 resolutions and that votes cast by the Chairman of the Meeting for those resolutions 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 - by marking the boxes below - the Chairman will not cast your votes on the resolutions and your votes will not be counted in calculating the required majority if a poll is called on the resolutions.

**VOTING DIRECTIONS - please insert an (X) in the appropriate boxes below.**

\* An abstention will not be counted for the purposes of calculating the percentage of votes cast for, or against, a motion.

Ordinary Resolutions	FOR	AGAINST	ABSTAIN *
1. Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Director - Mr B Ganke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of Director - Mr B D Burrell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Authority to place shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. To increase Directors' fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Dated** this ..... day of ..... 2011

**Signature(s) of shareholder/s:** .....  
(Companies: - Common Seal may be used)

**PROXIES:**

A member entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. A proxy need not be a member. To be valid, proxies may be lodged at the company's Registered Office - 9<sup>th</sup> Floor, 82 Elizabeth Street, Sydney, NSW - or may be transmitted to FAX number (02) 9233 6475 - or sent via e-mail to **lgo@longreachoil.com** - and must be received no later than forty-eight (48) hours before the scheduled start of the meeting.