



# **KINETIKO**

ENERGY LTD

**ACN 141 647 529**

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

**Annual General Meeting to be held at Barrington House, 283 Rokeby Road, Subiaco, Western Australia on 29 November 2011 commencing at 10.30am (WST).**

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

# KINETIKO ENERGY LIMITED

ACN: 141 647 529

## NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Kinetiko Energy Limited (ACN 141 647 529) ("Company") will be held at Barrington House, 283 Rokeby Road, Subiaco, Western Australia on 29 November 2011 commencing at 10.30am (WST).

### ORDINARY BUSINESS

#### 1. Financial Statements and Reports

To receive and consider the annual financial report, together with the Director's and auditor's reports for the year ending 30 June 2011.

#### 2. Resolution 1 – Approval of Remuneration Report

To consider and, if thought fit, pass the following **advisory only resolution**:

*"That, for all purposes, Shareholders approve the Remuneration Report for the year ending 30 June 2011."*

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

#### Voting Exclusion

A vote in respect of Resolution 1 must not be cast (in any capacity) by or on behalf of any 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, unless
- (c) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (d) the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above.

#### 3. Resolution 2 – Re-election of Mr Geoff Michael as a Director

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

*"That, for all purposes, Mr Geoff Michael, who retires by rotation in accordance with clause 11.3 of the Constitution and, being eligible, offers himself for re-election, is re-elected as a Director."*

#### 4. Resolution 3 – Re-election of Mr Andrew Lambert as a Director

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

*"That, in accordance with the Company's Constitution, and for all other purposes, having been appointed since the last Annual General Meeting, Mr Andrew Lambert is hereby re-elected as a Director of the Company."*

# KINETIKO ENERGY LIMITED

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## Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice of Annual General Meeting and should be read in conjunction with it.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in this Notice of Annual General Meeting and the Explanatory Statement.

## Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders 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. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

## Voting Entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of Shareholders as at 5.00pm (WST) on 27 November 2011. Accordingly, transactions registered after that time will be disregarded in determining Shareholder's entitlement to attend and vote at the Annual General Meeting.

## By Order of the Board of Directors



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**Stephen Hewitt-Dutton**  
Company Secretary  
Kinetiko Energy Limited

21 October 2011

## Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolution in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

### 1. Resolution 1

#### Approval of Remuneration Report

Section 249L(2) of the Corporations Act requires a company to inform shareholders that a resolution on the Remuneration Report will be put at the Annual General Meeting. Section 250R(2) of the Corporations Act requires a resolution that the Remuneration Report be adopted must be put to the vote. Resolution 1 seeks this approval.

In accordance with section 250R(3) of the Corporations Act, Shareholders should note that resolution 1 is an "advisory only" resolution which does not bind the Directors of the Company.

Following consideration of the Remuneration Report, the Chairman, in accordance with section 250SA of the Corporations Act, must give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

From 1 July 2011, the Corporations Act has been amended so that if the resolution to approve the Remuneration Report receives "no" votes of 25% or more at two successive annual general meetings of the Company, the Shareholders will be required to vote at the second of those annual general meetings on a resolution ("spill resolution") that another general meeting be held within 90 days at which all of the Directors (except the Managing Director) must stand for re-election.

The recent amendments to the Corporations Act have also included new restrictions on the Chairperson, Key Management Personnel and any Closely Related Parties of them from voting on a Remuneration Report.

If you elect to appoint the Chairperson, any Key Management Person or any Closely Related Party as your proxy to vote on this Resolution 1, ***you must direct that proxy how they are to vote***. If you do not direct the Chairperson, Key Management Person or Closely Related Party how to vote as your proxy on this Resolution 1, they will be prohibited from exercising your vote and your vote will not be counted in relation to this Resolution.

### 2. Resolution 2

#### Re-election of Mr Geoff Michael as a Director

In accordance with Listing Rule 14.4 and clause 11.3 of the Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office by rotation and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in

office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

In determining the number and identity of the Directors to retire by rotation, the Managing Director and any Director seeking election after appointment by the Board to fill a casual vacancy are not taken into account.

Mr Geoff Michael retires by rotation at this meeting and, being eligible, offers himself for re-election.

Details of Mr Geoff Michael are as follows:

Mr. Michael's expertise and commercial experience lie in the areas of project development, consulting and delivery in Australia, Europe and South East Asia. He has experience in running projects and organisational based enterprises in multi jurisdictional scenarios and putting together a best for project team of professionals for the project delivery and operation.

Mr. Michael has been responsible for the creation and management of various joint venture companies, investment syndicates and business start-ups across a range of asset classes, from property investment, through mining services and drilling to engineering and resources for over 20 years.

This has involved asset, property and equipment purchases, capital raisings, structured finance, project feasibility, management and delivery, management of the enterprises and assets along with devising correct and appropriately timed exit strategies from investments to maximize return and manage financial risk.

Prior to this, Mr. Michael had been involved with a family owned contracting operation specialising in earthworks and civil construction on a large scale. This involvement has endowed Mr. Michael with practical construction and civil contracting experience.

Mr Michael is also a Director of the engineering and construction contractor Unison Holdings Ltd, Ageus Ltd a boutique corporate advisory company and is a Director of Metaliko Resources Ltd an ASX listed gold exploration company.

### **3. Resolution 3**

#### **Re-election of Mr Andrew Lambert as a Director**

In accordance with clause 11.10 of the Constitution, the directors appointed Mr Andrew Lambert to the position of managing director on 19 June 2011. Pursuant to clause 11.11 of the Constitution if a person is appointed as a director by the directors, the Director holds office until the next Annual General Meeting of the Company and is then eligible for re-election.

Details of Mr Andrew Lambert are as follows:

Andrew Lambert's career began in O&G (Petroleum Geology) with Total and Conoco Phillips, Aberdeen on contract roles. These positions involved stratigraphic analysis, wireline log and 2D/3D seismic interpretation.

Mr Lambert relocated to Perth, Australia to work with Western Geco (Schlumberger) as an Exploration Geophysicist. He subsequently moved into hard rock and evaluated Rio Tinto's Robe River iron ore deposits as a Mining Exploration Geologist for two years, where he led Exploration programs and drill rig crews and interpreted regional Geoscience data. Following completion of his MSc, Mr Lambert worked in a Business Development capacity for PGS (a

global petroleum services company) with a growth portfolio across MENA. This involved Seismic Acquisition, Data Processing, Seismic Interpretation as part of studies and Consulting.

Mr Lambert then pursued Commercial account management roles (BT Wholesale and Telecom NZ). Following his Masters of Management, he worked with KPMG's Transaction Services team with a focus on Commercial Due Diligence and Resources.

Mr Lambert joined a boutique advisory firm; Mainsheet Corporate in 2006 and via acquisition joined PwC Consulting, where he has focussed on O&G and Resources. He has been seconded to Brisbane and Abu Dhabi to develop the O&G Consulting practices. He has been an active member of the Petroleum Club of WA, Western Australian Club, PESGB and AAPG.

## Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

<b>ASX</b>	ASX Limited (ACN 008 624 691) trading as the Australian Securities Exchange.
<b>Board</b>	the board of Directors.
<b>Chairman</b>	Mr Adam Sierakowski.
<b>Closely Related Party</b>	means a closely related party of a member of Key Management Personnel as defined in Section 9 of the Corporations Act, being: <ul style="list-style-type: none"><li>(a) a spouse or child of the member;</li><li>(b) a child of that member's spouse;</li><li>(c) a dependant of that member or of that member's spouse;</li><li>(d) anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company;</li><li>(e) a company that is controlled by that member; or</li><li>(f) any other person prescribed by the regulations.</li></ul>
<b>Constitution</b>	the constitution of the Company.
<b>Company</b>	Kinetiko Energy Limited ACN 141 647 529.
<b>Corporations Act</b>	Corporations Act 2001 (Cth).
<b>Director</b>	a director of the Company.
<b>Explanatory Statement</b>	the explanatory statement accompanying the Notice of Annual General Meeting.
<b>Key Management Personnel</b>	means the key management personnel of the Company as defined in Section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, being those 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).
<b>Listing Rules</b>	the listing rules of ASX.
<b>Notice of Annual General Meeting</b>	the notice of annual general meeting accompanying the Explanatory Statement.
<b>Remuneration Report</b>	the section of the Director's report entitled "remuneration report".
<b>Shareholder</b>	a holder of Shares.

# KINETIKO ENERGY LIMITED

ACN: 141 647 529

## PROXY FORM

Contact Telephone Number \_\_\_\_\_

Contact Name (if different from above) \_\_\_\_\_

### STEP 1 – Appointment of Proxy

I/We being a shareholder/s of Kinetiko Energy Limited and entitled to attend and vote hereby appoint the following proxy/proxies to attend and act on my/our behalf and to vote in accordance with my/our following directions at the Annual General Meeting of Kinetiko Energy Limited to be held at Barrington House, 283 Rokeby Road, Subiaco on 29 November 2011 at 10.30am (WST) and at any adjournment of that meeting.

The Chairman  
of the meeting

(mark with an 'X')

#### IMPORTANT:

In respect of Resolutions 2 or 3, if the Chairman of the meeting is your proxy, or if appointed your proxy by default and you do **not** wish to direct him/her how to vote on any of these Resolutions, you must mark this box with an "X". By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy on those Resolutions (for which you have not given a direction) even if he/she has an interest in the outcome of the Resolutions and that votes cast by him/her, 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 on any of these Resolutions, the Chairman of the meeting will not cast your votes on the Resolutions (for which you have not given a direction) on a show of hands or on a poll. The Chairman of the meeting intends to vote undirected proxies in favour of each Resolution.

The Chairman, any Key Management Person or a Closely Related Party is not permitted to vote undirected proxies on Resolution 1. Accordingly, if the Chairman, any Key Management Person or a Closely Related Party is your proxy (by appointment or default) and you fail to provide a voting direction in respect of Resolution 1 in step 2 (below), your vote will not be cast.

OR

If the person you are appointing as your proxy is someone other than the Chairman of the meeting:  
Write the name of that person in the box below.

 %

You must specify the % of your votes that you authorize your proxy to exercise if:

If you hold 2 or more Shares in Kinetiko Energy Limited, you may appoint a second proxy: Write the name of your second proxy in the box below.

 %

- (a) you have only appointed 1 proxy and do not want him/her to exercise all of your votes; or  
(b) if you have appointed 2 proxies under this proxy form.

If you do not name a proxy or your named proxy fails to attend the meeting, the Chairman of the meeting will be appointed as your proxy to attend and act on your behalf and to vote in accordance with the following directions at the Annual General Meeting of Kinetiko Energy Limited to be held at Barrington House, 283 Rokeby Road, Subiaco on 29 November 2011 at 10.30am (WST) and at any adjournment of that meeting.

**STEP 2 – Voting directions to your proxy – Please mark only one of the boxes with an "X" for each Resolution to indicate your directions.**

#### Ordinary Business

		For	Against	Abstain
Resolution 1.	Approval of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2.	Re-election of Mr Geoff Michael as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3.	Re-election of Mr Andrew Lambert as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Note:** If you mark the "Abstain" box with an "x" for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll.

### STEP 3 – PLEASE SIGN HERE

directions to be implemented

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

Individual or Shareholder 1

Sole Director and  
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

# KINETIKO ENERGY LIMITED

ACN: 141 647 529

## How to complete this Proxy Form

### 1 Your Name and Address

This is the name and address on the Share Register of Kinetiko Energy Limited. If the information is incorrect, shareholders should advise the Company of any changes required. Shareholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

### 2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company.

### 3 Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

**Please note the Chairman, a member of Key Management Personnel or a Closely Related Party is not permitted to vote undirected proxies on your behalf in relation to Resolution 1.** Therefore, if the Chairman, a member of Key Management Personnel or a Closely Related Party is your proxy (by appointment or default) and you wish to vote on Resolution 1, you **MUST** provide a voting direction by marking the applicable box beside Resolution 1 in step 2 of the Proxy Form.

### 4 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, please write the name of that person.

To appoint a second proxy you must state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If the Proxy Form does not specify a percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

### 5 Signing Instructions

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

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the shareholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission.

### 6 Lodgment of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting ie. no later than 10.30 am (WST) on 27 November 2011. Any Proxy Form received after that time will not be valid for the scheduled meeting.

**This Proxy Form (and any Power of Attorney and/or second Proxy Form) may be sent or delivered to the Company's registered office at PO Box Z5183, Perth, Western Australia 6831 or sent by facsimile to the registered office on +61 8 9218 8875.**