



A.C.N. 106 609 143

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual general meeting of members of K2 Energy Limited (the “Company”) will be held at Level 2, Kyle House, 27 Macquarie Place, Sydney, NSW 2000 on Friday 28<sup>th</sup> November 2008 at 10am for the purpose of transacting the business set out in this Notice.

### BUSINESS

#### Item 1– Financial Statements

To consider and receive the Financial Report, the Directors’ Report and the Auditor’s Report for the year ended 30 June 2008.

#### Item 2– Remuneration Report

To adopt the Remuneration Report for the year ended 30 June 2008.

#### Item 3- Election of Director- (Mr Bob Rosenthal)

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

“That Mr Bob Rosenthal being a Director who retires by rotation, in accordance with the Company’s Constitution, and being eligible, be re-elected as a Director of the Company.”

#### Item 4- Election of Director- (Mr Robert Kenneth Gaunt)

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

“That Mr Robert Kenneth Gaunt being a Director, who retires by rotation, in accordance with the Company’s Constitution, and being eligible, be re-elected as a Director of the Company.”

### Appointment of Proxy

- (a) A member who is unable to attend and vote at the meeting may appoint a proxy by completing and returning the attached proxy form in the manner provided below. The proxy need not be a member of the Company.
- (b) If a member wishes to appoint a proxy, and is entitled to cast 2 or more votes, then the member may appoint 2 proxies, and may specify the proportion or number of votes each proxy may cast.
- (c) A proxy form (and the power of attorney (if any) under which it is signed) must be received at the registered office of the Company not less than 48 hours before the time of the holding of the meeting:
  - By hand: Registries Limited - Level 7, 207 Kent Street, Sydney, NSW, 2000
  - By mail: Registries Limited - PO Box R67 Royal Exchange NSW, 1223
  - By facsimile: (02) 9279 0664

### **Corporate Representatives**

Corporate members must either:

- appoint a proxy as set out above; or
- appoint a body corporate representative in accordance with the Corporations Act.

The appointment of a body corporate representative must be produced at the meeting.

### **Entitlement to Vote**

For the purpose of the meeting, those members holding shares at 7pm on 26<sup>th</sup> November 2008 will be voting members at the meeting.

### **Further Information**

This Notice should be read in conjunction with the Explanatory Note.

By the Order of the Board of Directors.

A handwritten signature in black ink, appearing to be 'T. A. Flitcroft', written over a light blue rectangular background.

T. A. Flitcroft  
Company Secretary  
Dated: 28<sup>th</sup> October 2008

## EXPLANATORY NOTES ON ITEMS OF BUSINESS

### **Item 1: Financial Statements**

As required by section 317 of the Corporations Act 2001 (Cth) (the “Act”), the Financial Report, the Directors’ Report and the Auditor’s Report of the Company for the most recent financial year will be laid before the meeting. Shareholders will be provided with a reasonable opportunity to ask questions about or make comments on the management of the Company however, there will be no formal resolution put to the meeting.

### **Item 2: Remuneration Report**

The Directors’ Report for the year ended 30 June 2008 contains a Remuneration Report, which sets out the remuneration policy for the Company and reports on the remuneration arrangements in place for Directors and certain senior executives.

The Act requires that the agenda for this Annual General Meeting include a resolution for the adoption of the Remuneration Report. The vote on the resolution is advisory only and is not binding on the Directors or the Company.

Shareholders will be provided with a reasonable opportunity to ask questions about and make comments on the Remuneration Report.

### **Item 3: Election of Director**

Pursuant to the Company’s Constitution, Mr Bob Rosenthal will retire as a Director at the Annual General Meeting and offer himself for re-election.

Mr Rosenthal graduated from the University of Southern California in 1974 with a B.Sc. in Geology and then in 1977 completed a M.Sc. in Geology and Geophysics from the same University.

In his 30 year career, he has worked on oil and gas projects in the Gulf of Mexico, Offshore Atlantic Margin, and North Slope of Alaska. In 1985, Bob was seconded to BP in Aberdeen Scotland and within a year he became Technical Leader of Northern and Central North Sea Lead Group who successfully bid in UK Licensing round. In 1988, he became senior advisor to Chief Geophysicist, then Global Consultant for Exploration reporting to Chief Geologist and General Manager of Exploration, worldwide.

For 15 years, he held various positions including senior exploration geophysicist with Sohio Petroleum (a subsidiary of BP) in San Francisco, California. Since 1999, Mr Rosenthal has run a successful consulting business and lives in Ojai California. During the past three years, Mr Rosenthal has not served as a director for any other listed Australian company.

If re-elected, Mr Bob Rosenthal will continue as a Director and be subject to retirement by rotation in accordance with the Company’s Constitution.

The Board unanimously recommends that Shareholders vote in favour of the re-election of Mr Rosenthal.

**Item 4: Election of Director**

Pursuant to the Company's Constitution, Mr Robert Kenneth Gaunt will retire as a Director at the Annual General Meeting and offer himself for re-election.

Mr Gaunt was appointed as a director on 23<sup>rd</sup> May 2007. Ken has enjoyed significant commercial success since founding Electronic Banking Solutions Pty Ltd in 1998. As Managing Director, Ken developed the business before merging with Cash Card Australia Limited in 2003. Ken has been director of Cash Card Australia Limited and is an investor in many successful businesses in Australia and elsewhere. Ken was a board member and Australia's representative of the ATM industry association and was a member of the customer advisory board of National Cash Register Company Limited. Mr Gaunt is currently and was a director of K2 Energy Limited prior to the merger

If re-elected, Mr Gaunt will continue as a Director and be subject to retirement by rotation in accordance with the Company's Constitution.

The Board unanimously recommends that Shareholders vote in favour of the re-election of Mr Gaunt.