
**NOTICE OF ANNUAL GENERAL MEETING
AND EXPLANATORY
MEMORANDUM**

Date of Meeting

Tuesday, 28 November 2017

Time of Meeting

10.00am WST

Place of Meeting

Entek Energy Limited
338 Hay Street
Subiaco, Western Australia

A Proxy Form is enclosed

Please read this Notice and Explanatory Memorandum carefully. If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

ENTEK ENERGY LIMITED

ABN 43 108 403 425

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of Entek Energy Limited ABN 43 108 430 425 ("Company) will be held at the office of Entek Energy Limited, 338 Hay Street, Subiaco, Western Australia on Tuesday 28 November, 2017 at 10.00am WST for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

AGENDA

ITEMS OF BUSINESS

Financial Reports

To receive and consider the financial statements of the Company for the year ended 30 June 2017, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

1. RESOLUTION 1 - Non-binding Resolution to adopt Remuneration Report

To consider and, if thought fit, pass the following resolution as a **non-binding resolution**:

"That the Remuneration Report for the year ended 30 June 2017 as set out in the Company's 2017 Annual Report be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

Voting Exclusion: The Company will disregard any votes cast on Resolution 1 by or on behalf of a Restricted Voter¹. However, the Company need not disregard a vote if:

- a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution; and
- b) it is not cast on behalf of a Restricted Voter.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1.

¹ "Restricted Voter" means Key Management Personnel and their Closely Related Parties as defined in the glossary.

Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

2. RESOLUTION 2 – Re-election of Clare Pope as a Director

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

“That, for the purposes of clause 13.5 of the Constitution and Listing Rule 14.4, and for all other purposes Ms Clare Pope, having been appointed by the Board as an additional Director on 26 July 2017, and being eligible, be elected as a Director of the Company.”

3. RESOLUTION 3 - Re-election of Peter Stern as a Director

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

“That, for the purposes of clause 13.5 of the Constitution and Listing Rule 14.4, and for all other purposes Mr Peter Stern, having been appointed by the Board as an additional Director on 26 July 2017, and being eligible, be elected as a Director of the Company.”

4. RESOLUTION 4 - Re-election of Anthony Walsh as a Director

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

“That, for the purposes of clause 13.5 of the Constitution and Listing Rule 14.4, and for all other purposes Mr Anthony Walsh, having been appointed by the Board as an additional Director on 26 July 2017, and being eligible, be elected as a Director of the Company.”

5. RESOLUTION 5 - Issue of Incentive Options to Mark McAuliffe (or his nominee(s))

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

“That, pursuant to and in accordance with section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant and issue up to 6,000,000 Incentive Options to Mark McAuliffe or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum (including Annexure A to the Explanatory Memorandum).”

Short Explanation: The Incentive Options shall be issued in three tranches, one third of the Incentive Options shall form Tranche 1 (“**Tranche 1**”), one third of the Incentive Options shall form Tranche 2 (“**Tranche 2**”) and one third shall form Tranche 3 (“**Tranche 3**”). The exercise price of the Tranche 1 Incentive Options to be issued under this Resolution will be equal to 200% of the volume weighted average market price of Shares traded on ASX for the 5 trading days up to and including the day prior to the Meeting (with any fractions of a cent rounded up to the nearest whole cent). The exercise price of the Tranche 2 Incentive Options to be issued under this Resolution will be 300% of the volume weighted average market price of Shares traded on ASX for the 5 trading days up to and including the day prior to the Meeting (with any fractions of a cent rounded up to the nearest whole cent). The exercise price of the Tranche 3 Incentive Options to be issued under this Resolution will be 400% of the volume weighted average market price of Shares traded on ASX for the 5 trading days up to and including the day prior to the

Meeting (with any fractions of a cent rounded up to the nearest whole cent). The Company will announce the exercise price of the Incentive Options, so calculated, for Tranche 1, Tranche 2 and Tranche 3 respectively prior to the commencement of the Meeting. It is proposed that the Incentive Options will be issued immediately after approval from Shareholders has been obtained. Tranche 1, Tranche 2 and Tranche 3 Incentive Options will be subject to a vesting period of 6 months, 12 months and 24 months respectively from the date of issue, during which time the holder shall not be permitted to exercise the Incentive Options and must remain a Director of the Company.

Voting Exclusion: The Company will disregard any votes cast on Resolution 5 by:

- (a) Mark McAuliffe (or his nominee(s)); and
- (b) an associate of Mark McAuliffe (or his nominee(s)).

However, the Company need not disregard a vote if:

- (c) 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
- (d) 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 5 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 5; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 5.

Shareholders may also choose to direct the Chair to vote against Resolution 5 or to abstain from voting.

If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

For the purpose of this voting exclusion, the statement “associate” shall have the meaning set out in sections 12 and 16 of the Corporations Act. Section 12 of the Corporations Act is to be applied as if it was not confined to associate references coming out of Chapter 6 of the Corporations Act and on the basis that the Company is the “designated body”. An “associate” also includes a related party of Mark McAuliffe (or his nominee(s)).

6. RESOLUTION 6 - Issue of Incentive Options to Clare Pope (or her nominee(s))

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

“That, pursuant to and in accordance with section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant and issue up to 3,000,000 Incentive Options to Clare Pope or her nominee(s), on the terms and conditions set out in the Explanatory Memorandum (including Annexure A to the Explanatory Memorandum).”

Short Explanation: The Incentive Options shall be issued in three tranches, one third of the Incentive Options shall form Tranche 1 (“**Tranche 1**”), one third of the Incentive Options shall form Tranche 2 (“**Tranche 2**”) and one third shall form Tranche 3 (“**Tranche 3**”). The exercise price of the Tranche 1 Incentive Options to be issued under this Resolution will be equal to 200% of the volume weighted average market price of Shares traded on ASX for the 5 trading days up to and including the day prior to the Meeting (with any fractions of a cent rounded up to the nearest whole cent). The exercise price of the Tranche 2 Incentive Options to be issued under this

Resolution will be 300% of the volume weighted average market price of Shares traded on ASX for the 5 trading days up to and including the day prior to the Meeting (with any fractions of a cent rounded up to the nearest whole cent). The exercise price of the Tranche 3 Incentive Options to be issued under this Resolution will be 400% of the volume weighted average market price of Shares traded on ASX for the 5 trading days up to and including the day prior to the Meeting (with any fractions of a cent rounded up to the nearest whole cent). The Company will announce the exercise price of the Incentive Options, so calculated, for Tranche 1, Tranche 2 and Tranche 3 respectively prior to the commencement of the Meeting. It is proposed that the Incentive Options will be issued immediately after approval from Shareholders has been obtained. Tranche 1, Tranche 2 and Tranche 3 Incentive Options will be subject to a vesting period of 6 months, 12 months and 24 months respectively from the date of issue, during which time the holder shall not be permitted to exercise the Incentive Options and must remain a Director of the Company.

Voting Exclusion: The Company will disregard any votes cast on Resolution 6 by:

- (a) Clare Pope (or her nominee(s)); and
- (b) an associate of Clare Pope (or her nominee(s)).

However, the Company need not disregard a vote if:

- (c) 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
- (d) 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 6 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 6; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 6.

Shareholders may also choose to direct the Chair to vote against Resolution 6 or to abstain from voting.

If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

For the purpose of this voting exclusion, the statement “associate” shall have the meaning set out in sections 12 and 16 of the Corporations Act. Section 12 of the Corporations Act is to be applied as if it was not confined to associate references coming out of Chapter 6 of the Corporations Act and on the basis that the Company is the “designated body”. An “associate” also includes a related party of Clare Pope (or her nominee(s)).

7. RESOLUTION 7 - Issue of Incentive Options to Peter Stern (or his nominee(s))

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

“That, pursuant to and in accordance with section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant and issue up to 3,000,000 Incentive Options to Peter Stern or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum (including Annexure A to the Explanatory Memorandum).”

Short Explanation: The Incentive Options shall be issued in three tranches, one third of the Incentive Options shall form Tranche 1 (“**Tranche 1**”), one third of the Incentive Options shall form Tranche 2 (“**Tranche 2**”) and one third shall form Tranche 3 (“**Tranche 3**”). The exercise price of the Tranche 1 Incentive Options to be issued under this Resolution will be equal to 200% of the volume weighted average market price of Shares traded on ASX for the 5 trading days up to and including the day prior to the Meeting (with any fractions of a cent rounded up to the nearest whole cent). The exercise price of the Tranche 2 Incentive Options to be issued under this Resolution will be 300% of the volume weighted average market price of Shares traded on ASX for the 5 trading days up to and including the day prior to the Meeting (with any fractions of a cent rounded up to the nearest whole cent). The exercise price of the Tranche 3 Incentive Options to be issued under this Resolution will be 400% of the volume weighted average market price of Shares traded on ASX for the 5 trading days up to and including the day prior to the Meeting (with any fractions of a cent rounded up to the nearest whole cent). The Company will announce the exercise price of the Incentive Options, so calculated, for Tranche 1, Tranche 2 and Tranche 3 respectively prior to the commencement of the Meeting. It is proposed that the Incentive Options will be issued immediately after approval from Shareholders has been obtained. Tranche 1, Tranche 2 and Tranche 3 Incentive Options will be subject to a vesting period of 6 months, 12 months and 24 months respectively from the date of issue, during which time the holder shall not be permitted to exercise the Incentive Options and must remain a Director of the Company.

Voting Exclusion: The Company will disregard any votes cast on Resolution 7 by:

- (a) Peter Stern (or his nominee(s)); and
- (b) an associate of Peter Stern (or his nominee(s)).

However, the Company need not disregard a vote if:

- (c) 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
- (d) 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 7 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 7; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 7.

Shareholders may also choose to direct the Chair to vote against Resolution 7 or to abstain from voting.

If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

For the purpose of this voting exclusion, the statement “associate” shall have the meaning set out

in sections 12 and 16 of the Corporations Act. Section 12 of the Corporations Act is to be applied as if it was not confined to associate references coming out of Chapter 6 of the Corporations Act and on the basis that the Company is the “designated body”. An “associate” also includes a related party of Peter Stern (and his nominee(s)).

8. RESOLUTION 8 - Issue of Incentive Options to Anthony Walsh (or his nominee(s))

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

“That, pursuant to and in accordance with section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant and issue up to 3,000,000 Incentive Options to Anthony Walsh or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum (including Annexure A to the Explanatory Memorandum).”

Short Explanation: The Incentive Options shall be issued in three tranches, one third of the Incentive Options shall form Tranche 1 (“**Tranche 1**”), one third of the Incentive Options shall form Tranche 2 (“**Tranche 2**”) and one third shall form Tranche 3 (“**Tranche 3**”). The exercise price of the Tranche 1 Incentive Options to be issued under this Resolution will be equal to 200% of the volume weighted average market price of Shares traded on ASX for the 5 trading days up to and including the day prior to the Meeting (with any fractions of a cent rounded up to the nearest whole cent). The exercise price of the Tranche 2 Incentive Options to be issued under this Resolution will be 300% of the volume weighted average market price of Shares traded on ASX for the 5 trading days up to and including the day prior to the Meeting (with any fractions of a cent rounded up to the nearest whole cent). The exercise price of the Tranche 3 Incentive Options to be issued under this Resolution will be 400% of the volume weighted average market price of Shares traded on ASX for the 5 trading days up to and including the day prior to the Meeting (with any fractions of a cent rounded up to the nearest whole cent). The Company will announce the exercise price of the Incentive Options, so calculated, for Tranche 1, Tranche 2 and Tranche 3 respectively prior to the commencement of the Meeting. It is proposed that the Incentive Options will be issued immediately after approval from Shareholders has been obtained. Tranche 1, Tranche 2 and Tranche 3 Incentive Options will be subject to a vesting period of 6 months, 12 months and 24 months respectively from the date of issue, during which time the holder shall not be permitted to exercise the Incentive Options and must remain a Director of the Company.

Voting Exclusion: The Company will disregard any votes cast on Resolution 8 by:

- (a) Anthony Walsh (or his nominee(s)); and
- (b) an associate of Anthony Walsh (or his nominee(s)).

However, the Company need not disregard a vote if:

- (c) 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
- (d) 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 8 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 8; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 8.

Shareholders may also choose to direct the Chair to vote against Resolution 8 or to abstain from voting.

If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

For the purpose of this voting exclusion, the statement “associate” shall have the meaning set out in sections 12 and 16 of the Corporations Act. Section 12 of the Corporations Act is to be applied as if it was not confined to associate references coming out of Chapter 6 of the Corporations Act and on the basis that the Company is the “designated body”. An “associate” also includes a related party of Anthony Walsh (or his nominee(s)).

9. RESOLUTION 9 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass the following resolution as an **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 the 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 who may participate in the 10% Placement Facility issue and a person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if this Resolution is passed, and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with 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.

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Company’s Constitution and the Corporations Act 2001 (Cth).

Certain abbreviations and other defined terms are used throughout this Notice and the Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

BY ORDER OF THE BOARD



Nerida Schmidt

Company Secretary

Dated: 23 October 2017

HOW TO VOTE

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice and by submitting their proxy appointment and voting instructions in person, by post, electronically via the Internet or by facsimile.

VOTING IN PERSON (OR BY ATTORNEY)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded. To be effective a certified copy of the power of attorney, or the original power of attorney under which they have been authorised to attend and vote at the Meeting, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

VOTING BY A CORPORATION

A shareholder that is a corporation may appoint an individual to act as its representative to vote at the Meeting in accordance with section 250D of the Corporations Act 2001 (Cth) ("Corporations Act"). The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed. The appropriate "Appointment of Corporate Representative" form should be completed and produced prior to admission to the Meeting. This form may be obtained from the Company's share registry.

VOTING BY PROXY

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting. If the proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on that resolution on a show of hands.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (ie. where there are two proxies, each proxy may exercise half of the votes). If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company's share registry or you may copy the enclosed proxy form. To appoint a second proxy, you must follow the instructions on the proxy form.
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1 and 5-8 in accordance with a direction on how the proxy is to vote, or if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

- Should any Resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the Meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the Meeting, the Chairman of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used where possible to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed resolutions. These rules are explained in this Notice.
- To be effective, proxies must be lodged by 10.00am (WST) on 26 November 2017. Proxies lodged after this time will be invalid.

Proxies may be lodged using any of the following methods:-

- Online** At www.investorvote.com.au
- By mail** Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
- By fax** 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)
- By mobile** Scan the QR Code on your proxy form and follow the prompts
- Custodian voting** For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

The proxy form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10.00am (WST) on 26 November 2017. If facsimile transmission is used, the power of attorney must be certified.

SHAREHOLDERS WHO ARE ENTITLED TO VOTE

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 4.00pm (WST) 26 November 2017.

ENTEK ENERGY LIMITED

ABN 43 108 403 425

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 of Annual General Meeting of Entek Energy Limited (“the Company”).

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

1. FINANCIAL REPORTS

The first item of the Notice of Annual General Meeting deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2017 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 Auditor’s Report;
- the accounting policies adopted by the Company in relation to the preparation of the accounts; and
- the independence of the auditor in relation to the conduct of the audit.

The Chair will also allow a reasonable opportunity for the Auditor to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

2. RESOLUTION 1 - Adoption of Remuneration Report

In accordance with Section 250R(2) of the Corporations Act the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company’s 2017 Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company’s 2017 Annual Report and is also available on the Company’s website www.entekenergy.com.au

Under the Corporations Act, if at least 25% of the votes cast are against adoption of the Remuneration Report at an AGM, and then again at the following AGM, the Company will be required to put a resolution to the following AGM, to approve calling an extraordinary general meeting (**Spill Resolution**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene an extraordinary general meeting (**Spill Meeting**) within 90 days of the following AGM.

All of the Directors who were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The Remuneration Report for the financial year ended 30 June 2016 did not receive a vote of more than 25% against its adoption at the Company's last AGM held on 30 November 2016. Accordingly, if at least 25% of the votes cast on Resolution 1 are against adoption of the Remuneration Report, a Spill Resolution is not required to be included in this Notice.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any equity based compensation.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on the Remuneration Report.

VOTING

A voting exclusion applies to Resolution 1 on the terms set out in the Notice. In particular, the Key Management Personnel outlined in the Remuneration Report and other Restricted Voters may not vote on this Resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair will use any such proxies to vote in favour of the Resolution.

Shareholders are urged to carefully read the proxy form and provide a direction to the proxy on how to vote on this Resolution.

3. RESOLUTION 2 - RE-ELECTION OF CLARE POPE AS A DIRECTOR

Resolution 2 seeks approval for the election of Ms Clare Pope as a Director with effect from the end of the Annual General Meeting.

Pursuant to clause 13.5 of the Company's Constitution, the Directors may appoint any person to be a Director, either as an addition to the existing Directors or to fill a casual vacancy. However, any such appointment concludes at the next general meeting following the appointment. The Director is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Resolution 2 is an ordinary resolution and provides for approval of the appointment of Ms Pope to the Board pursuant to the Company's Constitution.

The Board appointed Ms Pope on 26 July 2017. Ms Pope retires from office in accordance with this requirement and submits herself for election.

Ms Pope holds a Bachelor of Laws and Bachelor of Arts from the University of Western Australia and a Master of Commercial Law from the University of Melbourne.

Ms Pope has gained wide international legal advisory experience over the past 10 years with a focus across the oil & gas sector. This has included advisory briefs for a range of the world's leading energy companies across a range of geographic jurisdictions. Ms Pope has also gained extensive experience across merger & acquisitions through advisory roles for companies across a range of commodities and bourses.

Ms Pope has held no other public company directorships in the past three years.

Ms Pope is considered by the Board to be independent. The Company is not aware of any material adverse information that may affect Ms Pope's ability to serve as a director of the Company.

Directors' recommendation

The Directors (other than Ms Pope) recommend that Shareholders vote in favour of the election of Ms Pope.

4. RESOLUTION 3 - RE-ELECTION OF PETER STERN AS A DIRECTOR

Resolution 3 seeks approval for the election of Mr Peter Stern as a Director with effect from the end of the Annual General Meeting.

Pursuant to clause 13.5 of the Company's Constitution, the Directors may appoint any person to be a Director, either as an addition to the existing Directors or to fill a casual vacancy. However, any such appointment concludes at the next general meeting following the appointment. The Director is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Resolution 3 is an ordinary resolution and provides for approval of the appointment of Mr Stern to the Board pursuant to the Company's Constitution.

The Board appointed Mr Stern on 26 July 2017. Mr Stern retires from office in accordance with this requirement and submits himself for election.

Mr Stern holds a Bachelor of Science 1st Class (Geology) from Monash University.

Mr Stern commenced his career as a Petroleum Geologist with Delhi Petroleum before moving into corporate and advisory, initially with Delhi and then with Macquarie Bank, UBS and Deutsche Bank. In 2000 he established his own corporate advisory firm – Metropolis Corporate Advisory Services. Through a career spanning 30 years Mr Stern has gained wide experience across the resource sector through his initial career as a geologist and subsequent work across corporate acquisitions and advisory roles.

Mr Stern has held the following public company directorships in the past three years:

- Non-Executive Director of Anglo Australian Resources NL from 28 November 2011 to current date.
- Non-Executive Chairman of Troy Resources Limited from 16 June 2017 to current date.
- Non-Executive Director of Altan Rio Minerals Limited (TSXV) from May 2017 to current date.

Mr Stern is considered by the Board to be independent. The Company is not aware of any material adverse information that may affect Mr Stern's ability to serve as a director of the Company.

Directors' recommendation

The Directors (other than Mr Stern) recommend that Shareholders vote in favour of the election of Mr Stern.

5. RESOLUTION 4 - RE-ELECTION OF ANTHONY WALSH AS A DIRECTOR

Resolution 4 seeks approval for the election of Mr Anthony Walsh as a Director with effect from the end of the Annual General Meeting.

Pursuant to clause 13.5 of the Company's Constitution, the Directors may appoint any person to be a Director, either as an addition to the existing Directors or to fill a casual vacancy. However, any such appointment concludes at the next general meeting following the appointment. The Director is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Resolution 4 is an ordinary resolution and provides for approval of the appointment of Mr Walsh to the Board pursuant to the Company's Constitution.

The Board appointed Mr Walsh on 26 July 2017. Mr Walsh retires from office in accordance with this requirement and submits himself for election.

Mr Walsh holds a Bachelor of Commerce from University College Dublin, Ireland a Masters of Business Administration from University of Bridgeport, Connecticut, USA, is a Fellow of the Institute of Chartered Accountants, a Fellow of the Institute of Chartered Secretaries, a Fellow of the Governance Institute of Australia and a Fellow of FinSia. Mr Walsh is a member of the Australian

Institute of Company Directors.

Mr Walsh has over 30 years' experience in dealing with listed companies, ASX, ASIC and corporate transactions including 14 years with the ASX in Perth where he acted as ASX liaison with the JORC committee, four years as Chairman of an ASX listed mining explorer and as a director of a London AIM listed explorer.

Mr Walsh was until recently a member of the West Australian State Council of Governance Institute of Australia (formerly Chartered Secretaries Australia) and is a member of Newman College school council. Mr Walsh is currently chairman of Acts2 Bible College and a director of the Womens and Infants Research Foundation.

Mr Walsh has held the following public company directorships in the past three years:

- Director of Altas Iron Limited from 5 August 2016 to 23 January 2017.

Mr Walsh is considered by the Board to be independent. The Company is not aware of any material adverse information that may affect Mr Walsh's ability to serve as a director of the Company.

Directors' recommendation

The Directors (other than Mr Walsh) recommend that Shareholders vote in favour of the election of Mr Walsh.

6. RESOLUTIONS 5 TO 8 - ISSUES OF INCENTIVE OPTIONS TO PARTICIPATING DIRECTORS (OR THEIR NOMINEE(S))

The Company proposes to grant and issue a total of 15,000,000 Incentive Options as follows:

- 5,000,000 Incentive Options, each Incentive Option with an exercise price equal to 200% of the 5 day VWAP of Shares, vesting 6 months from, and expiring 3 years from the date of grant of the Incentive Options ("**Tranche 1**");
- 5,000,000 Incentive Options, each Incentive Option with an exercise price equal to 300% of the 5 day VWAP of Shares, vesting 12 months from, and expiring 3 years from the date of grant of the Incentive Options ("**Tranche 2**"); and
- 5,000,000 Incentive Options, each Incentive Option with an exercise price equal to 400% of the 5 day VWAP of Shares, vesting 24 months from, and expiring 3 years from the date of grant of the Incentive Options ("**Tranche 3**");

to Mark McAuliffe, Clare Pope, Peter Stern and Anthony Walsh ("**Participating Directors**"), or their nominee(s). The terms of the Incentive Options are set out in Annexure A to this Explanatory Memorandum.

Related Party Transactions Generally

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a *related party* of the public company *unless* either:

- the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, each of the Participating Directors is considered to be a related party of the Company.

Resolutions 5 to 8 provide for the grant of Incentive Options to the Participating Directors which is a financial benefit which requires shareholder approval for the purpose of section 208 of the Corporations Act.

INFORMATION REQUIREMENTS

For the purposes of Chapter 2E of the Corporations Act the following information is provided.

The related parties to whom the proposed resolutions would permit the financial benefit to be given

Subject to Shareholder approval, the following maximum number of Incentive Options will be granted to the following related parties, or their respective nominee(s):

Director	Tranche 1	Tranche 2	Tranche 3	Total
Mark McAuliffe	2,000,000	2,000,000	2,000,000	6,000,000
Clare Pope	1,000,000	1,000,000	1,000,000	3,000,000
Peter Stern	1,000,000	1,000,000	1,000,000	3,000,000
Anthony Walsh	1,000,000	1,000,000	1,000,000	3,000,000

The nature of the financial benefit

The proposed financial benefit to be given is the grant of Incentive Options for no consideration to the Participating Directors as noted above.

The details of the financial benefit including reasons for giving the type and quantity of the benefit

The terms and conditions of the Incentive Options to be granted to the Participating Directors (or their respective nominee(s)) are set out in Annexure A to this Explanatory Memorandum.

The grant and issue of Incentive Options encourages the Participating Directors to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through share ownership. Under the Company's current circumstances the Directors consider that the incentives intended for the Participating Directors represented by the grant of these Incentive Options are a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

It is noted that the Participating Directors do not currently hold any incentive based equity securities.

Shareholders should note that for the reasons noted above, it is proposed to grant the Incentive Options to Participating Directors notwithstanding the guidelines contained in Box 8.2 of the ASX Corporate Governance *Council's Corporate Governance Principles and recommendations* which states that non-executive directors should not receive options.

The number of Incentive Options to be granted to each of the Participating Directors has been determined based upon a consideration of:

- (a) the remuneration of the Directors;
- (b) the Directors' wish to ensure that the remuneration offered is competitive with market standards. The Directors have considered the proposed number of Incentive Options to be granted will ensure that the Participating Directors' overall remuneration is in line with the market standards; and
- (c) incentives to attract and ensure continuity of service of Directors who have appropriate knowledge and expertise.

In the event the Incentive Options are exercised, the following amounts will need to be paid to the Company by the Participating Directors, based on an exercise price of 4.7 cents for the Tranche 1 Options, 7.0 cents for the Tranche 2 Options and 9.3 cents for Tranche 3 Options.

Director	Amount to be paid
Mark McAuliffe	\$ 420,000
Clare Pope	\$ 210,000
Peter Stern	\$ 210,000
Anthony Walsh	\$ 210,000
Total	\$ 1,050,000

The actual amount the Company will receive from the Participating Directors on exercise of the Incentive Options will depend on the actual exercise price of the Incentive Options to be determined based on the formulae set out above.

Current Holdings

Set out below are details of each of the Participating Directors' relevant interest in the securities of the Company as at the date of this Notice:

Director	Number of Shares
Mark McAuliffe	1,000,000 ¹
Clare Pope	-
Peter Stern	-
Anthony Walsh	-
Total	1,000,000

Notes

1. Mark McAuliffe has a relevant interest in these Shares which are held by Rokeby Road Nominees Pty Ltd, of which he is a director and shareholder.

Dilution effect of grant of Options on existing members' interests

If passed, Resolutions 5 to 8 will have the effect of giving power to the Directors to grant a total of 15,000,000 Incentive Options on the terms and conditions as set out in Annexure A to this Explanatory Memorandum and as otherwise mentioned above.

The Company currently has 304,728,934 listed Shares and the following unlisted Options on issue:

Number	Exercise Price	Expiry Date
500,000	24 cents	31 December 2017
500,000	32 cents	31 December 2017
3,190,000	4 cents	31 December 2017
10,000,000	4 cents	31 March 2020

If all Incentive Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, the effect would be to dilute the shareholding of existing shareholders by 4.49%. The market price of the Company's Shares during the period of the Incentive Options will normally determine whether or not the Participating Directors exercise the Incentive Options. At the time any Incentive Options are exercised and Shares are issued pursuant to the exercise of the Incentive Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Incentive Options.

The Incentive Options will not be quoted on ASX.

Participating Directors’ total remuneration package

The Participating Directors’ fees per annum (including superannuation) and the total financial benefit to be received by them in this current period as a result of the grant of the Incentive Options the subject of Resolutions 5 to 8 are as follows:

Director	Fees p.a. (\$)	Value of Incentive Options (\$)	Total Financial Benefit (\$)
Mark McAuliffe	56,000	119,481	175,481
Clare Pope	35,000	59,741	94,741
Peter Stern	35,000	59,741	94,741
Anthony Walsh	35,000	59,741	94,741

Valuation of Incentive Options

The Company’s advisers have valued the Options proposed to be granted to the Participating Directors using the Black Scholes Option Pricing Model (“**BSModel**”), which is the most widely used and recognised model for pricing options. The acceptance of this model is due to its derivation being grounded in economic theory. The value of an option calculated by the BSModel is a function of a number of variables and is rounded to the nearest one hundredth of a cent. The valuation of the Options has been prepared using the following assumptions:

Variable	Input
Share price	2.3 cents
Exercise price	4.7 cents for Tranche 1 Incentive Options 7.0 cents for Tranche 2 Incentive Options 9.3 cents for Tranche 3 Incentive Options
Risk Free Interest Rate	2.28 %
Volatility	100 %
Time (years to expiry)	3 years

The valuation date is as at 20 October 2017, although the Incentive Options will not be granted until after Shareholders approve the grant of the Incentive Options at the Meeting.

The valuations reflected below do not necessarily represent the market value of the Incentive Options or the tax values for taxation purposes to each of the Participating Directors. The future value of the Incentive Options may be up or down on the values noted below as it will primarily depend on the future share price of a Share (for the next 3 years), and the time to expiry of the Incentive Options.

Based on the above assumptions, the Company has calculated an indicative value of one:

- (a) Tranche 1 Incentive Option to be granted to the Participating Directors to be 2.04 cents (based on a volatility assumption of 100% to calculate the value of the Tranche 1 Incentive Options);
- (b) Tranche 2 Incentive Option to be granted to the Participating Directors to be 1.99 cents (based on a volatility assumption of 100% to calculate the value of the Tranche 2 Incentive Options); and
- (c) Tranche 3 Incentive Option to be granted to the Participating Directors to be 1.95 cents (based on a volatility assumption of 100% to calculate the value of the Tranche 3 Incentive Options).

Accordingly, the total value of the 15,000,000 Options to be granted to the Participating Directors is \$298,704.

Set out below is the indicative valuation of a Tranche 1 Incentive Option, Tranche 2 Incentive Option and Tranche 3 Incentive Option proposed to be granted to the Participating Directors using volatility factors of 100%, 150% and 200%:

	100% Volatility	150% Volatility	200% Volatility
Tranche 1 Incentive Option	2.04 cents	3.06 cents	4.08 cents
Tranche 2 Incentive Option	1.99 cents	2.99 cents	3.98 cents
Tranche 3 Incentive Option	1.95 cents	2.93 cents	3.90 cents

Any change in the variables applied in the Black & Scholes calculation between the date of the valuation and the date the Incentive Options are granted would have an impact on their value.

Company's historical share price

The following table gives details of the highest, lowest and latest closing prices of the Company's Shares trading on ASX over the past 12 months ending on 20 October 2017 (being the last trading day prior to the date of this Notice):

Highest Price (cents) / Date	Lowest Price (cents) / Date	Latest Price (cents) / Date
\$0.038 on 18 December 2016	\$0.017 on 8 August 2017	\$0.023 on 20 October 2017

Other Information

Under the Australian Equivalent of IFRS, the Company is required to expense the value of the Incentive Options in its statement of financial performance for the current financial year. Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Incentive Options pursuant to Resolutions 5 to 8.

Neither the Directors nor the Company are aware of other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by the proposed Resolutions.

Directors' recommendation

All the Directors were available to make a recommendation. For the reasons noted above:

Mr Mark McAuliffe declines to make a recommendation about Resolution 5 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed grant of Incentive Options to him individually (or his nominee(s)). Messrs Pope, Stern and Walsh also decline to make a recommendation about Resolution 5. ASIC Regulatory Guide 76: Related Party Transactions notes at paragraph 76.103 that it is good practice for directors to avoid making a recommendation for resolutions about each other's remuneration as there may be a conflict of interest. Whilst Messrs Pope, Stern and Walsh do not have a material personal interest in the outcome of Resolution 5, given it is proposed that they also be issued with Incentive Options under Resolutions 6, 7 and 8 respectively, they have declined to make a recommendation about Resolution 5 in line with the ASIC guidance.

Ms Clare Pope declines to make a recommendation about Resolution 6 as she has a material personal interest in the outcome of that particular Resolution as it relates to the proposed grant of Incentive Options to her individually (or his nominee(s)). Messrs McAuliffe, Stern and Walsh also decline to make a recommendation about Resolution 6. Whilst Messrs McAuliffe, Stern and Walsh do not have a material personal interest in the outcome of Resolution 6, given it is proposed that they also be issued with Incentive Options under Resolutions 5, 7 and 8 respectively, they have declined to make a recommendation about Resolution 6 in line with the ASIC guidance outlined above.

Mr Peter Stern declines to make a recommendation about Resolution 7 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed grant of Options to him individually (or his nominee(s)). Messrs McAuliffe, Pope and Walsh also decline to make a recommendation about Resolution 7. Whilst Messrs McAuliffe, Pope and Walsh do not have a material personal interest in the outcome of Resolution 7, given it is proposed that they also be issued with Options under Resolutions 5, 6 and 8 respectively, they have declined to make a recommendation about Resolution 7 in line with the ASIC guidance outlined above.

Mr Anthony Walsh declines to make a recommendation about Resolution 8 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed grant of Options to him individually (or his nominee(s)). Messrs McAuliffe, Pope and Stern also decline to make a recommendation about Resolution 8. Whilst Messrs McAuliffe, Pope and Stern do not have a material personal interest in the outcome of Resolution 8, given it is proposed that they also be issued with Options under Resolutions 5, 6 and 7 respectively, they have declined to make a recommendation about Resolution 8 in line with the ASIC guidance outlined above.

Listing Rule 10.11

Listing Rule 10.11 requires shareholder approval by ordinary resolution to any issue by a listed company of securities to a related party. Accordingly, Listing Rule 10.11 requires Shareholders to approve the grant of Incentive Options to the Participating Directors.

The following information in relation to the Incentive Options to be granted pursuant to Resolutions 5 to 8 is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) the Incentive Options will be issued to Messrs Mark McAuliffe, Clare Pope, Peter Stern and Anthony Walsh, or their nominee(s), as noted above;
- (b) the maximum number of Incentive Options to be granted is 15,000,000 (the table below sets out the number of Incentive Options to be granted to each of the Directors or his nominee(s));

Participating Director	Number of Incentive Options
Mark McAuliffe	6,000,000
Clare Pope	3,000,000
Peter Stern	3,000,000
Anthony Walsh	3,000,000
Total	15,000,000

- (c) the Incentive Options will be issued on one date which will be no later than 1 month after the date of this Meeting or on such other date as approved by ASX;
- (d) the Incentive Options will be granted for no consideration. The Incentive Options expire 3 years from the date of grant and the exercise price of the Incentive Options will be announced by the Company to ASX on the day before the Annual General Meeting;
- (e) no funds will be raised by the grant of the Incentive Options; and
- (f) the terms and conditions of the Incentive Options are set out in Annexure A to this Explanatory Memorandum.

Voting

Note that a voting exclusion applies to Resolutions 5 to 8 in the terms set out in the Notice. In particular, the Directors and other Restricted Voters may not vote on these Resolutions and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy even if the Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair will use any such proxies to vote in favour of the Resolutions.

Shareholders are urged to carefully read the proxy form and provide a direction to the proxy on how to vote on these Resolutions.

If approval is given for the grant of the Incentive Options under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

7. RESOLUTION 9 – 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.

While 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 exact 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 1.1(c) below).

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: ETE).

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

7.2 Description of Listing Rule 7.1A

(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:

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

Where:

- A is the number of shares on issue 12 months before the date of issue or agreement:
- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (B) plus the number of partly paid shares that became fully paid in the 12 months;
 - (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares 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;
 - (D) less the number of fully paid shares cancelled in the 12 months.
- Note that A 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 the approval of shareholders 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.

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 1.1(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 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
- (ii) if the Equity Securities are not issued within five 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 the approval by shareholders 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 9 will be to allow the Directors to issue 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.

Resolution 9 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).

7.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 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
 - (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 9 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. 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
 - (ii) the Equity Securities issued under the 10% Placement Facility 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 the 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.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities as at the date of this Meeting for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

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		
		\$0.0115 50% decrease in Issue Price	\$0.023 Issue Price	\$0.046 100% increase in Issue Price
Current Variable A 304,728,934 Shares	10% voting dilution	30,472,893	30,472,893	30,472,893
	Funds raised	\$350,438	\$700,877	\$1,401,753
50% increase in current Variable A 457,093,401 Shares	10% voting dilution	45,709,340	45,709,340	45,709,340
	Funds raised	\$535,657	\$1,051,315	\$2,102,630
100% increase in current Variable A 609,457,868 Shares	10% voting dilution	60,945,786	60,945,786	60,945,786
	Funds raised	\$700,877	\$1,401,753	\$2,803,506

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 exercised 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 \$0.023, being the closing price of the Shares on ASX of \$0.023 on 20 October 2017.
- (c) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 9 for the issue of Equity Securities pursuant to the 10% Placement Facility 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).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration in relation to the acquisition of new resource 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 funds raised towards the ongoing costs associated with the exploration of its existing projects and to investigate additional acquisitions to complement these projects. Funds raised will be used to meet cash payments in connection with these projects or any additional acquisitions, while also being used to fund subsequent exploration activities associated with any new acquisitions.

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) 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 recipients 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 issues or other issues 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).

The recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

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

- (f) The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its annual general meeting held on 30 November 2016. In the period since 30 November 2016, the Company has not issued any securities under ASX Listing Rule 7.1A. In the period since 30 November 2016 the Company has issued 17,500,000 fully paid ordinary shares pursuant to ASX Listing Rule 7.1.
- (g) Following the consolidation of capital performed in February 2017 the total equity securities on issue were 143,614,467 (see below table). The total number of equity securities issued since this date is 171,114,467, giving a percentage that these represent of the total number of equity securities on issue at 30 November 2016 (on a post-consolidation basis) of 119.15%. The resulting percentage is so high because of the low base number of securities on issue at 30 November 2016 (on a post-consolidation basis) and the large number of issues of securities undertaken throughout the intervening period, all of which the Company has had shareholder approval for.

A full listing of all equity securities issued in the period since 30 November 2016 is as follows:

Date of Issue	No. Issued	Class	Recipient of Security	Issue price and details of any discount to Market Price ³	Consideration and use of funds other than cash
Opening Balance 30.11.16	574,457,387	Fully paid ordinary shares			
	2,000,000	Unlisted options expiring 31/12/17 exercisable at \$0.06			
	2,000,000	Unlisted options expiring 31/12/17 exercisable at \$0.08			
	12,760,000	Unlisted options expiring 31/12/17 exercisable at \$0.01			
Consolidation of Capital 14.02.17	143,614,467	Fully paid ordinary shares			
	500,000	Unlisted options expiring 31/12/17 exercisable at \$0.24			
	500,000	Unlisted options expiring 31/12/17 exercisable at \$0.32			
	3,190,000	Unlisted options expiring 31/12/17 exercisable at \$0.04			

Date of Issue	No. Issued	Class	Recipient of Security	Issue price and details of any discount to Market Price ³	Consideration and use of funds other than cash
30.03.17	52,005,401	Fully paid ordinary shares ²	Issued to Shareholders pursuant to Non-Renounceable Rights Issue as per Offer Document lodged with ASX on 20 February 2017	\$0.02 per share (20% discount to closing price of \$0.025 on date of issue)	Amount raised: \$1,040,108.02 Use of Funds: working capital purposes and project review Amount Spent: \$360,491 Intended Use of Remaining Funds: working capital purposes and project review
4.04.17	91,609,066	Fully paid ordinary shares ²	Underwriters and various sophisticated investors pursuant to shortfall Non-Renounceable Rights Issue as per Offer Document lodged with ASX on 20 February 2017	\$0.02 per share (23% discount to closing price of \$0.026 on date of issue)	Amount raised: \$1,832,181.32 Use of Funds: working capital purposes and project review Amount Spent: Nil Intended Use of Remaining Funds: working capital purposes and project review
4.04.17	17,500,000	Fully paid ordinary shares ²	Various sophisticated investors who participated in the Placement pursuant to 15% capacity under Listing Rule 7.1 announced on 4 April 2017	\$0.02 per share (23% discount to closing price of \$0.026 on date of issue)	Amount raised: \$350,000 used Use of Funds: working capital purposes Amount Spent: Nil Intended Use of Remaining Funds: working capital purposes and project review

Date of Issue	No. Issued	Class	Recipient of Security	Issue price and details of any discount to Market Price ³	Consideration and use of funds other than cash
6.04.17	10,000,000	Unlisted \$0.06 options expiring 21/3/20 (full terms and conditions detailed in Notice of Meeting lodged with ASX on 9 January 2017)	Facilitator Options granted as part consideration for the services provided by the Facilitators in placing the Placement Shares and Shortfall Shares pursuant to the Non-Renounceable Rights Issue as per Offer Document lodged with ASX on 20 February 2017. These were issued to Mr David James Wall <The Reserve A/C>.	Nil. Closing share price on date of issue: \$0.027	Amount Raised: Nil - Facilitator Options granted as part consideration for the services provided by the Facilitators in placing the Placement Shares and Shortfall Shares pursuant to the Non-Renounceable Rights Issue as per Offer Document lodged with ASX on 20 February 2017 Current Value ⁴ : \$122,572

NOTES:

1. The Company is not proposing to issue any Equity Securities prior to the Meeting.
 2. Fully paid ordinary shares in the capital of the Company, ASX Code: ETE (terms are set out in the Constitution).
 3. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the date of issue of the relevant Equity Securities.
 4. Value of Options is measured using Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk-free interest rate for the term of the Option.
- (h) The Company's cash balance at the date of this Notice is approximately A\$4.68m.
- (i) A voting exclusion statement is included in the Notice. 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.

GLOSSARY

"5 Day VWAP" means the volume weighted average market price of Shares traded on ASX for the 5 trading days on which there are shares traded for the Company up to and including the day prior to the Meeting (with any fractions of a cent rounded up to the nearest whole cent).

"10% Placement Facility" has the meaning given in Section 7.1;

"10% Placement Period" has the meaning given in Section 0;

"Accounting Standards" has the meaning given to that term in the Corporations Act.

"AGM" means annual general meeting;

"Annual General Meeting" or **"Meeting"** means the annual general meeting the subject of the Notice;

"Annual Report" means the annual report of the Company for the period ended 30 June 2017;

"ASX" means ASX Limited ABN 98 008 624 691 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 to that term in the Corporations Act;

"Company" means Entek Energy Limited ABN 43 108 403 425;

"Constitution" means the constitution of the Company;

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

"Director" means a director of the Company;

"Equity Securities" has the same meaning as in the Listing Rules;

"Explanatory Memorandum" means the explanatory memorandum accompanying this Notice;

"Incentive Option" means an option to acquire a share on the terms and conditions set out in Annexure A;

"Key Management Personnel" has the meaning given to that term in the Accounting Standards;

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

"Notice" means the Notice of Annual General Meeting which accompanies the Explanatory Memorandum;

"Resolution" means a resolution proposed pursuant to the Notice;

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

"Shares" means full paid ordinary shares in the capital of the Company;

"Shareholders" means a registered holder of Shares;

"VWAP" means volume weighted average price;

"WST" means Australian Western Standard Time.

ANNEXURE "A"

TERMS AND CONDITIONS OF THE OPTIONS

1. The Options shall be issued in three tranches, one third of the Options shall form Tranche 1 ("**Tranche 1**"), one third of the Options shall form Tranche 2 ("**Tranche 2**") and one third shall form Tranche 3 ("**Tranche 3**").
2. The Options shall expire three years after they have been granted ("**Expiry Date**").
3. The Options shall vest as follows:
 - (a) Tranche 1 Options shall vest upon a Director serving 6 months on the Board of the Company;
 - (b) Tranche 2 Options shall vest upon a Director serving 12 months on the Board of the Company; and
 - (c) Tranche 3 Options shall vest upon a Director serving 24 months on the Board of the Company.("Vesting Date").
4. Options may be exercised at any time on or after 9.00 am WST on the Vesting Date and on or before 5.00pm WST on the Expiry Date.
5. The Options may be exercised in whole or in part.
6. The exercise price of each Option is as follows:
 - (a) Tranche 1 – an amount equal to 200% of the 5 day VWAP of Shares traded on ASX for the 5 trading days up to and including the day prior to 28 November 2017 (with any fractions of a cent rounded up to the nearest whole cent);
 - (b) Tranches 2 – an amount equal to 300% of the 5 day VWAP of Shares traded on ASX for the 5 trading days up to and including the day prior to 28 November 2017 (with any fractions of a cent rounded up to the nearest whole cent); and
 - (c) Tranches 3 – an amount equal to 400% of the 5 day VWAP of Shares traded on ASX for the 5 trading days up to and including the day prior to 28 November 2017 (with any fractions of a cent rounded up to the nearest whole cent),("Exercise Price").
7. The Options may be transferred to a related party of that Initial Option Holder at any time in whole or in part.
8. A notice under CHESS instead of a certificate will be issued for the Options. On the reverse side of the notice there will be endorsed a statement of rights of the Option holder and a notice of exercise of option that is to be completed when exercising the Options. If there is more than one Option comprised in this notice and prior to the Expiry Date those Options are exercised in

part the Company will issue another notice for the balance of the Options held and not yet exercised.

9. The Option holder will be permitted to participate in any new pro-rata issue of securities of the Company on the prior exercise of the Options in which case, the Option holder will be afforded the period of at least 5 Business Days prior to and inclusive of the books closing date (to determine entitlements to the issue) to exercise the Options.
10. In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the Listing Rules.
11. The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.
12. In the case of any entitlements issue (other than a bonus issue) the Exercise Price of the Option may be reduced according to the following formula:

$$O' = \frac{O - E[P - (S + D)]}{N + 1}$$

O' = the new Exercise Price of the Option.

O = the old Exercise Price of the Option.

E = the number of underlying securities into which one Option is exercisable.

P = the average market price per Share (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price for a security under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue).

N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

In the case of a bonus issue the number of Shares over which the Option is exercisable may be increased by the number of Shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue. The Company shall notify the ASX of the adjustments in accordance with the Listing Rules.

13. The number of Shares to be issued pursuant to the exercise of Options will be adjusted for bonus issues made prior to exercise of Options. The effect will be that upon exercise of the Options the number of Shares received by the Option holder will include the number of bonus Shares that would have been issued if the Options had been exercised prior to the books closing date for bonus issues. The Exercise Price of the Options shall not change as result of any such bonus issue.

14. The Company shall notify the Option holder and the ASX within one month after the books closing date for a pro-rata bonus or cash issue, of the adjustment to the number of Shares over which the Option exists and/or the adjustment to the Exercise Price.
15. Subject to these terms and conditions, each Option shall confer the right to take up one fully paid ordinary Share in the Company.
16. If an Initial Option Holder's appointment with the Company or any of its subsidiaries ceases or is terminated by the Company or any of its subsidiaries for any reason, other than for Redundancy, the Options held by that Initial Option Holder (or its permitted nominee or transferee) may be exercised by that Initial Option Holder (or its permitted nominee or transferee) (or its legal personal representative(s)) within 30 days of the cessation or termination of that Initial Option Holder's employment with the Company or any of its subsidiaries provided that:
 - (a) the Options have not lapsed under condition 2; and
 - (b) the Options are entitled to be exercised pursuant to condition 3.

If the Option is not exercised within the 30 day period provided in this condition, it will lapse.

17. In the circumstances referred to in condition 16, the Board may in its absolute discretion, but subject always to the Listing Rules, give written approval to the Option holder to exercise the Option during such further period (ending not later than the Expiry Date) as the Board decides.
18. Notwithstanding any other terms and conditions, all Options may be exercised:
 - (a) in the event a takeover bid (as defined in the Corporations Act) to acquire any Shares becomes or is declared to be unconditional, irrespective of whether the takeover bid extends to Shares issued and allotted after the date of the takeover bid or not;
 - (b) at any time after a Change in Control Event has occurred; or
 - (c) if a merger by way of scheme of arrangement under the Corporations Act has been approved by the Court under section 411(4)(b) of the Corporations Act 2001.
19. The Option holder may only participate in new issues of securities to holders of Shares if an Option has been exercised and Shares allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give notice as required under the Listing Rules to the Option holder of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules.

20. In these terms and conditions:

"**ASX**" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

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

"**Business Day**" means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a

business day;

"**Change of Control Event**" means a shareholder, or a group of associated shareholders:

- (a) becoming entitled to sufficient Shares in the Company to give it or them the ability, in general meeting, to replace all or a majority of the Board; or
- (b) gaining the ability to control more than 50% of the Voting Power in the Company;

"**CHESS**" means the Clearing House Electronic Sub-Register System;

"**Company**" means Entek Energy Limited ABN 43 108 403 425;

"**Initial Option Holder**" means each of Mark McAuliffe, Clare Pope, Peter Stern and Anthony Walsh;

"**Listing Rules**" means the official Listing Rules of ASX as they apply to the Company;

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

"**Option holder**" means an Initial Option Holder or their nominee or permitted transferee (as applicable);

"**Redundancy**" means a determination by the Board that the Company's need to employ an Initial Option Holder for the particular kind of work carried out by him has ceased (but, for the avoidance of any doubt, does not include the dismissal of an Initial Option Holder for personal or disciplinary reasons or where an Initial Option Holder leaves the employ of the Company of his own accord);


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

"**Voting Power**" has the meaning ascribed to that term in the Corporations Act;

"**VWAP**" means volume weighted average price; and

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

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

ETE
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Proxy Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 10.00am (WST) Sunday, 26 November 2017**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Entek Energy Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and 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 Annual General Meeting of Entek Energy Limited to be held at 338 Hay Street, Subiaco, Western Australia on Tuesday, 28 November 2017 at 10.00am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 5, 6, 7 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 5, 6, 7 and 8 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 5, 6, 7 and 8 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

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

	For	Against	Abstain
Resolution 1 Non-binding Resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Clare Pope as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Peter Stern as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Re-election of Anthony Walsh as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Issue of Incentive Options to Mark McAuliffe (or his nominee(s))	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Issue of Incentive Options to Clare Pope (or her nominee(s))	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Issue of Incentive Options to Peter Stern (or his nominee(s))	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 Issue of Incentive Options to Anthony Walsh (or his nominee(s))	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

 / /