



NOTICE OF ANNUAL GENERAL MEETING

– and –

EXPLANATORY STATEMENT

– and –

PROXY FORM

DATE AND TIME OF MEETING:
26 November 2009 at 11.00am

VENUE:

The Holiday Inn City Centre,
788 Hay Street, Perth, Western Australia 6000

These documents should be read in their entirety. If shareholders are in any doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor.

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Erongo Energy Limited
ABN 50 114 175 138

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the members of Erongo Energy Limited (“**Erongo**” or the “**Company**”) will be held at The Holiday Inn City Centre Perth, 788 Hay Street, Perth, Western Australia, at 11.00 am, 26 November 2009.

The Explanatory Statement that accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered.

AGENDA

ORDINARY BUSINESS

To receive and consider the financial report of the Company for the year ended 30 June 2009 and the reports by directors and auditors thereon.

To consider and, if thought fit, to pass, with or without modification, the following ordinary resolutions:-

1. Ordinary Resolution 1: To re-elect a Director

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

“To re-elect as a director Mr R Gajewski who retires in accordance with Clause 12.2 of the Company’s Constitution and, being eligible, offers himself for re-election.”

2. Ordinary Resolution 2: Adoption of Remuneration Report (Non-binding)

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

“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the Remuneration Report.”

Short Explanation: The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company’s annual general meeting. The vote on Resolution 2 is advisory only and does not bind the Directors or the Company.

GENERAL BUSINESS

3. To transact any other business which may lawfully be brought forward.

In accordance with the ASX Listing Rules and the Corporations Act, a vote will not be disregarded if:

(a) cast by a person as proxy for a member who is entitled to vote, in accordance with the directions on the proxy form; or

(b) cast by the chairman of the meeting as proxy for a member who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

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Voting Restriction

As ordinary resolutions, Resolutions 1 and 2 must be passed by more than 50 per cent of the votes cast by members entitled to vote on the resolution.

PROXIES

1. A member entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote instead of the member. If two proxies are appointed, and a member does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half the votes. A proxy need not be a member of the Company.
2. In order to vote on behalf of a company that is a shareholder of Erongo, a valid Power of Attorney in the name of the attendee, must be either lodged with the Company prior to the Meeting, or be presented at the Meeting before registering on the attendance register for the Meeting.
3. Forms to appoint proxies, and the Power of Attorney (if any) under which they are signed, must be lodged at the registered office of the Company, at 30 Ledger Road, Balcatta WA 6021, or by facsimile + (61 8) 9240 2406 not less than 48 hours before the time of the Meeting or resumption of an adjourned meeting at which the person named in the instrument proposes to vote.
4. An instrument appointing a proxy:
 - a) shall be in writing under the hand of the appointor or of his attorney, or if the appointor is a corporation, either under seal or under the hand of a duly authorised officer or attorney;
 - b) may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument;
 - c) shall be deemed to confer authority to demand or join in demanding a poll;
 - d) shall be in such form as the Directors determine and which complies with Section 250A of the Corporations Act 2001;
 - e) proxies appointing the Chairman which do not specify the way in which the proxy is to vote on a particular resolution will be recorded as voting in favour of the resolutions.

ATTENDANCE AND VOTING ELIGIBILITY

For the purpose of regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that Shares held at 5.00pm WST on Monday, 24 November 2009 will be taken, for the purposes of this Annual General Meeting, to be held by the persons who held them at that time.

BY ORDER OF THE BOARD



Paul M. Jurman
Company Secretary
Dated: 16 October 2009

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EXPLANATORY STATEMENT

INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders of Erongo Energy Limited (“**Erongo**” or the “**Company**”) in connection with Resolutions 1 and 2 of the Annual General Meeting of members to be held at The Holiday Inn City Centre Perth, 788 Hay Street, Perth, Western Australia, at 11.00 am, 26 November 2009.

This Explanatory Statement should be read in conjunction with the accompanying Notice of Meeting. Please refer to Section 4 of this Explanatory Statement for a glossary of terms.

2009 ANNUAL REPORT

In accordance with the requirements of the Company’s Constitution and the Corporations Act, the 2009 Annual Report will be tabled at the annual general meeting. Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Report.

Representatives from the Company’s auditors, HLB Mann Judd, will be present to take shareholders’ questions and comments about the conduct of the audit and the preparation and content of the audit report.

As you may be aware, changes to legislation mean that companies are no longer required to mail out a hard copy of their annual report to shareholders except where shareholders have made a specific election to receive a hard copy and notified the Company to that effect. If you haven’t already made an election, you can obtain a hard copy by contacting the Company. Alternatively, it is available on the Company’s website at www.erongoenergy.com.au for you to download or read online.

1. RESOLUTION 1: RE-ELECTION OF DIRECTOR

Resolution 1 seeks approval for the election of Mr Ron Gajewski, who retires in accordance with Clause 12.2 of the Company’s Constitution and, being eligible, offers himself for re-election as a Director of the Company, with effect from the end of the meeting.

Details of Mr Gajewski’s qualifications and experience are available in the Annual Report.

2. RESOLUTION 2: REMUNERATION REPORT

The Annual Report for the financial year ended 30 June 2009 contains a Remuneration Report, which forms part of the Directors’ Report and sets out the remuneration policy for the Company and its controlled entities, and reports the remuneration arrangements in place for executive directors, senior management and non-executive directors.

The Corporations Act 2001 requires listed companies to put an annual non-binding resolution to shareholders to adopt the Remuneration Report. In line with the legislation, this vote will be advisory only, and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when considering the Company’s remuneration policy. A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

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3. CAUTIONARY NOTES

The directors recognise and acknowledge the importance of shareholders making their decision on the basis of the best possible information. However, once this material for the Notice of Meeting and Explanatory Memorandum is prepared and despatched to shareholders, the Company has no legal obligation to continuously update the content of this material nor is it practical and logistically possible to do that and inform each shareholder individually.

By its nature, the exploration industry is subject to numerous risks and the Company's share price is affected by a range of factors. From the time of preparing this material to the date of the Annual General Meeting, the Company's share price may go up or down. The Company will continue to comply with its continuous disclosure obligations and make appropriate announcements to the ASX.

Shareholders are strongly encouraged to keep track of any announcements that the Company may make and of the Company's share price up to the date of the Annual General Meeting as that information may have an effect on the calculations and the data that is provided in this Notice and the Explanatory Memorandum. If you do not understand the effect of such information, you should consult your professional advisor.

ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read this Explanatory Statement carefully before deciding how to vote on each Resolution.

Attached to the Notice of Meeting is a proxy form for use by Shareholders. Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, to complete, sign and return the proxy form to the Company in accordance with the instructions contained in the proxy form and the Notice of Meeting. Lodgement of a proxy form will not preclude a shareholder from attending and voting at the Meeting in person.

Enquiries

All enquiries in relation to the contents of the Notice of Meeting or Explanatory Statement should be directed to the Company Secretary, Mr Paul Jurman (telephone: +61 8 9240 8801).

4. GLOSSARY OF TERMS

The following terms including in this Notice and the Explanatory Memorandum shall have the following meaning, unless stated otherwise:

“ACN”	Australian Company Number
“Erongo ” or “Company”	Erongo Energy Limited (ABN 50 114 175 138).
“ASIC”	Australian Securities and Investments Commission.
“ASX”	Australian Securities Exchange Limited (ACN 008 624 691)
“ASX Listing Rules” or “Listing Rules”	The Official Listing Rules of ASX as amended from time to time.
“Corporations Act”	The Corporations Act 2001 (Commonwealth).
“Director”	A director of Erongo.
“Meeting”	The Meeting of the Company to be held on 26 November 2009.
“Notice of Meeting”	The notice convening the Meeting, which accompanies this Explanatory Statement.
“Resolutions”	Resolutions in the Notice of Meeting.
“Share”	A fully paid ordinary share in the capital of the Company.
“Shareholder”	The registered holder of a Share in the Company.

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Appointment of Proxy

I/We being a member/s of Erongo Energy Ltd and entitled to attend and vote hereby appoint

The Chairman of the Meeting (mark with an "X")

OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

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, as the proxy sees fit) at the Annual General Meeting of Erongo Energy Ltd to be held on 26 November 2009 and at any adjournment of that meeting.

If you do **not** wish to direct your proxy how to vote, please place a mark in the box →→

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolutions and votes cast by him other than as proxy holder will be disregarded because of that interest. **The Chairman of the Meeting intends to vote any such undirected proxies in favour of all the resolutions.**

If you do not mark the above box and you have not directed your proxy how to vote in the boxes below, the Chairman of the Meeting will not cast your votes on the resolutions and your votes will not be counted in computing the required majority if a poll is called.

Voting directions to your proxy – please mark to indicate your directions

	For	Against	Abstain*
Resolution 1 – Re-election of director, R Gajewski	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

PLEASE SIGN HERE - This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Company Secretary

Dated: ___/___/2009

How to complete the Proxy Form

1 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

2 Votes on Items of Business

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

3 Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. 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 this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

4 Signing Instructions

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

- Individual: where the holding is in one name, the holder must sign.
- Joint Holding: where the holding is in more than one name, all of the securityholders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 11.00am on 24 November 2009. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged:

- IN PERSON: Registered Office – 30 Ledger Road, Balcatta, Western Australia 6021
- BY MAIL: Registered Office - 30 Ledger Road, Balcatta, Western Australia 6021 / P O Box 717, Balcatta, Western Australia 6914
- BY FAX (61 8) 9240 2406