
WINCHESTER ENERGY LIMITED

ACN 168 586 445

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10.00am (WST)

DATE: Friday, 29 May 2015

PLACE: Level 1, 100 Havelock Street, West Perth WA 6005

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 +61 1300 133 921.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 10.00am (WST) on Friday, 29 May 2015 at:
Level 1, 100 Havelock Street, West Perth WA 6005

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on Wednesday, 27 May 2015.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and

- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2014 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 31 December 2014."

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

Voting Prohibition Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution or the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution and expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – APPOINTMENT OF AUDITOR AT FIRST AGM

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 327B of the Corporations Act and for all other purposes, BDO Audit (WA) Pty Ltd, having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the close of the meeting."

4. RESOLUTION 3 – RE-ELECTION OF A DIRECTOR, MR PETER ALLCHURCH

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

"That, for the purpose of clause 11.3 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Peter Allchurch, a Director, retires by rotation, and being eligible, is re-elected as a Director".

5. RESOLUTION 4 – ELECTION OF A DIRECTOR, MR LARRY CHENG KANG LIU

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

“That, for the purposes of clause 11.11 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Larry Cheng Kang Liu, a Director who was appointed casually on 10 December 2014, retires, and being eligible, is elected as a Director”.

6. RESOLUTION 5 – ELECTION OF A DIRECTOR, MR JAMES HODGES

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

“That, for the purposes of clause 11.11 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr James Hodges, a Director who was appointed casually on 30 April 2014, retires, and being eligible, is elected as a Director”.

Dated 24 April 2015

By order of the Board

**Nicholas Calder
Company Secretary**

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EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2014 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.winchesterenergyltd.com.

As noted in the Company's annual financial report, the Company has determined that its financial year will run from 1 January to 31 December each year, with annual general meetings each year to be held prior to 30 May.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold

office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

This is the Company's first annual general meeting and as such no details of previous voting results are available. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions given	No directions given
Key Management Personnel ¹	Vote as directed	Unable to vote ³
Chair ²	Vote as directed	Able to vote at discretion of Proxy ⁴
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

¹ Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

² Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

³ Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

⁴ The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

3. RESOLUTION 2 – APPOINTMENT OF AUDITOR AT FIRST AGM

The Directors of a public company must appoint an auditor within one month of registration. The directors have appointed BDO Audit (WA) Pty Ltd (**BDO**) as the Company's auditor.

The auditor of a public company so appointed within one month of registration holds office until the first annual general meeting of the Company. The auditor must be re-appointed at the first annual general meeting so that they may continue to act as auditor of the Company.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a shareholder for BDO to be appointed as the Company's auditor. A copy of this nomination is attached to this Explanatory Statement as Annexure A.

BDO has given its written consent to act as the Company's auditor subject to shareholder approval of this resolution.

If this resolution is passed, the appointment of BDO as the Company's auditor will take effect at the close of the Meeting.

4. RESOLUTION 3 – RE-ELECTION OF A DIRECTOR, MR PETER ALLCHURCH

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 year, whichever is the longer.

Clause 11.3 of the Constitution provides that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of three (3), then the number nearest one-third, and any other Director who not in such one-third who has held office for three (3) years or more (except a Managing Director), must retire from office. Any Director appointed by the Directors to fill a casual vacancy or as an addition to the Directors under clause 11.10 of the Constitution is not to be taken into account in determining the Directors who are to retire by rotation.

Clause 11.5 of the Constitution provides that the Directors to retire at any annual general meeting must be those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire must (unless they otherwise agree among themselves) be determined by lot.

A Director who retires by rotation under clause 11.3 of the Constitution is eligible for re-election.

The Company currently has five (5) Directors. Mr Neville Henry is the Managing Director and therefore not subject to retirement by rotation. Mr James Hodges and Mr Larry Liu were appointed during the year as additions to the Board under clause 11.10 of the Constitution (as to which please refer to Resolutions 4 and 5 below) and are also not subject to retirement by rotation.

Accordingly the remaining Directors, Mr John Kenny and Mr Peter Allchurch, who were both appointed on 17 March 2014, have determined that Mr Allchurch will retire and submit himself for re-election at the Meeting.

Mr Allchurch is a geologist and resource venture capitalist with 48 years of experience in mineral and petroleum exploration, development and production. He has founded or co-founded a number of successful ASX listed companies in the oil and gas and mineral sectors including Cape Range Oil, Amity Oil, Aurora Oil & Gas Ltd and Eureka Energy Ltd (both in the Eagle Ford Shale in Texas).

Directors (other than Mr Allchurch who has an interest in this Resolution) support the re-election of Mr Allchurch as a Director.

5. RESOLUTIONS 4 AND 5 – ELECTION OF A DIRECTOR, MR LARRY CHENG KANG LIU AND MR JAMES HODGES

Clause 11.10 of the Constitution allows the Directors to appoint at any time any person to be a director, either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution, that number being 10.

Pursuant to clause 11.11, any Director so appointed holds office only until the next Annual General Meeting of the Company and is then eligible for re-election but is not to be taken into account in determining the Directors who are to retire by rotation at that meeting.

Mr Larry Cheng Kang Liu

Mr Liu was appointed as a Non-Executive Director on 10 December 2014. Mr Liu being eligible, offers himself for election as a Director of the Company.

Mr. Liu, obtained a Bachelor's Degree of Engineering from Southeast University, China and a MBA from a joint program between APESMA & Deakin University, Australia. Mr. Liu joined General Electric in 1997 from Contact Energy New Zealand, and served as the various Asia Pacific leadership positions, including sourcing leader, six-sigma master black belt, and energy services sales director. He was the general manager of South China, HK & Macau for GE Consumer & Industrial before he joined his family business in 2008 and later he devoted mostly to his investment practice. Mr. Liu has extensive knowledge of Asia Pacific region. He brings rich experience in various management areas including sourcing, people development and management process improvement.

Mr James Hodges

Mr Hodges was appointed as a Non-Executive Director on 30 April 2014. Mr Hodges being eligible, offers himself for election as a Director of the Company.

Mr Hodges is an engineer based in Texas, USA with more than 40 years of oil field experience, having drilled and/or completed oil, high-pressure gas, saltwater disposal, injection, water source, hazardous waste injection and geothermal wells in Texas and Louisiana in reservoirs from sand and carbonates. As the owner of Hodges Engineering Inc., Mr Hodges is currently active in oil and gas exploration and production in Texas and provides engineering consulting services to the Texan energy, financial and environmental industries. Mr Hodges graduated from Texas A&M University in 1970 with a degree in mechanical engineering and is registered in Texas as a Professional Engineer.

The Directors (other than Mr Lui in respect of Resolution 4 and Mr Hodges in respect of Resolution 5, who each have an interest in those Resolutions) support the re-election of Mr Lui and Mr Hodges as Directors.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors 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.

Chair means the chair of the Meeting.

Class Order means ASIC Class Order 14/1000.

Company means Winchester Energy Limited (ACN 168 586 445).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Participant means a participant in the Scheme.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Schedule means a schedule to this Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

ANNEXURE A – NOTICE OF NOMINATION (AUDITOR)

The Board of Directors
Winchester Energy Limited
Level 1, 100 Havelock Street
West Perth, WA 6005

28 April 2015

Dear Directors

NOTICE OF NOMINATION OF AUDITOR – WINCHESTER ENERGY LIMITED

We, Nicholas Calder and Karen Calder of N and K Calder Superannuation Fund being shareholders of Winchester Energy Limited (**Company**), nominate that BDO Audit (WA) Pty Ltd be appointed as the auditor of the Company.

This is to be taken to be as notice pursuant to section 328B(1) of the Corporations Act 2001 (Cth).

Yours sincerely

N and K Calder

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