



Energy Ventures
Limited

ABN 89 106 523 611

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

**For the Annual General Meeting to be held on Tuesday, 18 November 2014
at 1.00pm (Western Standard Time)
at Suite 1, 245 Churchill Ave, Subiaco, Western Australia**

***This is an important document. Please read it carefully and in its entirety.
If you do not understand it please consult your professional advisers.***

***If you are unable to attend the Meeting, please complete the form of proxy enclosed and return it
in accordance with the instructions set out on that form.***

For personal use only

TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE

This Annual General Meeting of the Shareholders of Energy Ventures Limited will be held at:

**Suite 1
245 Churchill Ave
Subiaco 6008
Western Australia**

**Commencing
at 1.00pm (Western Standard Time)
on Tuesday, 18 November 2014**

How to Vote

You may vote by attending the meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person you need to attend the meeting on the date and at the place set out above. The meeting will commence at 1.00pm (Western Standard Time).

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- return the proxy form (by delivery) to the Company's office at Suite 1, 245 Churchill Ave, Subiaco, Western Australia, 6008; or
- return the proxy form (by post) to the Company's office at PO Box 162, Subiaco, Western Australia, 6904; or
- send the proxy by facsimile to facsimile number +61 8 6465 5599

so that it is received not later than 1.00pm (Western Standard Time) on Sunday, 16 November 2014.

Your proxy form is enclosed.

Voting and Proxies

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the Chairing of 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.
3. The Chair of the Meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions, including Resolution 1 (Remuneration Report), Resolutions 3 to 5 (Approval to issue Shares to Directors under Employee Share Plan) and Resolution 6 (Approval of Energy Ventures Performance Rights Plan). In relation to Resolutions 1, 3, 4, 5 and 6 the proxy form expressly authorises the Chair of the Meeting to exercise the proxy even though the resolutions are connected directly or indirectly with the remuneration of a member of the key management personnel. Any undirected proxies held by any Director, any other of the Company's key management personnel or any of their closely related parties (who are not the Chair of the Meeting) will not be voted on Resolutions 1, 3, 4, 5 and 6. Key management personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of Energy Ventures, directly or indirectly. The Remuneration Report identifies the Company's key management personnel for the financial year to 30 June 2014. Their closely related parties are defined in the Corporations Act, and include certain members of their family, dependants and companies they control.
4. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is Sunday, 16 November 2014 at 1.00pm (Western Standard Time).
5. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Energy Ventures Limited ("Energy Ventures" or the "Company") will be held at Suite 1, 245 Churchill Ave, Subiaco, Western Australia, 6008 on Tuesday, 18 November 2014 at 1.00pm (Western Standard Time) for the purpose of transacting the following business.

The Explanatory Statement is to be read in conjunction with this Notice.

ORDINARY BUSINESS

Accounts and Reports

To receive and consider the financial reports of the Company for the financial year ended 30 June 2014 and the reports of the Directors and Auditors thereon.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass with or without amendment, the following in accordance with section 250R(2) of the Corporations Act:

"That the Remuneration Report in the 2014 Annual Report of the Company be adopted."

Short explanation: The Remuneration Report is in the Directors' Report section of the Company's Annual Report. Listed companies are required to put the Remuneration Report to the vote for adoption at the Company's Annual General Meeting. The resolution will be determined as an ordinary resolution but is advisory only and does not bind the Directors or the Company. If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

Voting exclusion: The Company will disregard any votes cast on this Resolution (in any capacity) by or on behalf of either of the following persons (the "voter"):

- (a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report;
- (b) a closely related party of such a member.

However, the voter may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described in paragraphs (a) or (b) and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair of the Meeting and the appointment of the Chair as proxy:
 - i) does not specify the way the proxy is to vote on the resolution; and
 - ii) 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 for the entity.

Resolution 2 – Re-Election of Director – Gregory Fry

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

"That Mr Gregory Fry, who retires by rotation in accordance with clause 13.2 of the Constitution of the Company, and being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."

Short Explanation: Mr Gregory Fry has been a Director of the Company since 18 August 2009 and was last re-elected on 17 November 2011. Mr Gregory Fry is presented for re-election in accordance with the rotation requirements of the Company's Constitution.

SPECIAL BUSINESS

Resolution 3 – Approval of Issue of Shares to Director under Employee Share Plan – Mr Gregory Fry

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Directors to issue up to 13,750,000 Shares to Mr Gregory Fry or his nominee pursuant to the Employee Share Plan in accordance with the terms and conditions of the Employee Share Plan."

Short explanation: The ASX Listing Rules requires the Company to seek shareholder approval before a director may acquire securities under an employee incentive scheme.

Voting exclusion: The Company will disregard any votes cast on this resolution by a Director of the Company and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution if:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by the Chair of the Meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

Restriction on proxy voting by key management personnel or closely related parties: A person appointed as proxy must not vote, on the basis of that appointment, on this resolution if:

- a) the proxy is either:
 - i) a member of the key management personnel for the Company; or
 - ii) a closely related party of such a member; and
- b) the appointment does not specify the way the proxy is to vote on this resolution.

However, the above prohibition does not apply if:

- c) the proxy is the Chair of the Meeting; and
- d) the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 4 – Approval of Issue of Shares to Director under Employee Share Plan – Mr Alasdair Cooke

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Directors to issue up to 16,666,668 Shares to Mr Alasdair Cooke or his nominee pursuant to the Employee Share Plan in accordance with the terms and conditions of the Employee Share Plan."

Short explanation: The ASX Listing Rules requires the Company to seek shareholder approval before a director may acquire securities under an employee incentive scheme.

Voting exclusion: The Company will disregard any votes cast on this resolution by a Director of the Company and any of associate of those persons. However, the Company will not disregard a vote cast on this Resolution if:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by the Chair of the Meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

Restriction on proxy voting by key management personnel or closely related parties: A person appointed as proxy must not vote, on the basis of that appointment, on this resolution if:

- a) the proxy is either:
 - i) a member of the key management personnel for the Company; or
 - ii) a closely related party of such a member; and
- b) the appointment does not specify the way the proxy is to vote on this resolution.

However, the above prohibition does not apply if:

- c) the proxy is the Chair of the Meeting; and
- d) the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 5 – Approval of Issue of Shares to Director under Employee Share Plan – Mr Michael Curnow

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Directors to issue up to 4,166,668 Shares to Mr Michael Curnow or his nominee pursuant to the Employee Share Plan in accordance with the terms and conditions of the Employee Share Plan."

Short explanation: The ASX Listing Rules requires the Company to seek shareholder approval before a director may acquire securities under an employee incentive scheme.

Voting exclusion: The Company will disregard any votes cast on this resolution by a Director of the Company and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution if:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by the Chair of the Meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

Restriction on proxy voting by key management personnel or closely related parties: A person appointed as proxy must not vote, on the basis of that appointment, on this resolution if:

- a) the proxy is either:
 - i) a member of the key management personnel for the Company; or
 - ii) a closely related party of such a member; and
- b) the appointment does not specify the way the proxy is to vote on this resolution.

However, the above prohibition does not apply if:

- c) the proxy is the Chair of the Meeting; and
- d) the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 6 – Approval of Energy Ventures Performance Rights Plan

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

"That for the purposes of Listing Rule 7.2 Exception 9(b) and for all other purposes, the Company approves the issue of securities under the "Energy Ventures Performance Rights Plan" for a period of 3 years commencing on the date of this meeting on the terms set out in the Explanatory Statement accompanying this Notice."

Short Explanation: The Company has adopted the Energy Ventures Performance Rights Plan which constitutes an employee incentive scheme under the Listing Rules. By obtaining the approval of Shareholders, the issue of securities under the Plan will not count towards the Company's 15% issue capacity under Listing Rule 7.1.

Voting exclusion: The Company will disregard any votes cast on this resolution by a Director of the Company and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution if:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by the Chair of the Meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

Restriction on proxy voting by key management personnel or closely related parties: A person appointed as proxy must not vote, on the basis of that appointment, on this resolution if:

- a) the proxy is either:
 - i) a member of the key management personnel for the Company; or
 - ii) a closely related party of such a member; and
- b) the appointment does not specify the way the proxy is to vote on this resolution.

However, the above prohibition does not apply if:

- c) the proxy is the Chair of the Meeting; and
- d) the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 7 – Ratification of issue of Performance Rights

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

"That for the purposes of Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the issue of 6,000,000 Performance Rights on the terms set out in the Explanatory Statement accompanying this Notice."

Short Explanation: Listing Rule 7.1 allows a company to issue equity securities in any 12 month period representing up to 15% of its ordinary share capital on issue at the commencement of that period without shareholder approval. Under Listing Rule 7.4, shareholders may ratify the issue of the securities and thereby refresh the Company's capacity to make future issues of securities up to the 15% threshold.

Voting Exclusion: The Company will disregard any votes cast on this resolution by a person who participated in the issue of the subject of this resolution and any associate of such a person. However, the Company will not disregard a vote cast on this Resolution if:

- a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- b) 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.

BY ORDER OF THE BOARD



Steven Jackson
Company Secretary
Dated: 10 October 2014

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EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the Notice.

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

1. Financial Statements and Reports

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2014 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at <http://www.energyventures.com.au>.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Financial Report for the financial period ended 30 June 2014;
- (b) ask questions and make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and preparation and content of the auditor's report.

2. Resolution 1 – Adoption of Remuneration Report

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 30 June 2014.

The Resolution is advisory only and does not bind the Company or its Directors. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of these AGMs on a resolution (a "spill resolution") that another meeting will be held within 90 days at which all of the Company's Directors must go up for re-election. At the Company's previous annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the spill resolution is not relevant for this Meeting.

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

If you choose to appoint a proxy you are encouraged to direct your proxy how to vote on this Resolution by marking either "For", "Against" or "Abstain" on the proxy form for this item of business.

If you appoint a member of the key management personnel whose remuneration details are included in the Remuneration Report (who is not the Chair) or a closely related party of that member as your proxy, and you do not direct that person on how to vote on this Resolution 1, the proxy cannot exercise your vote and your vote will not be counted in relation to this Resolution 1.

The Chair intends to vote all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the proxy form you are giving express authorisation for the Chair to vote the proxy in accordance with the Chair's intention. Key management personnel of Energy Ventures are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies Energy Ventures' key

management personnel for the financial year to 30 June 2014. Their closely related parties are defined in the Corporations Act, and include certain members of their family, dependants and companies they control.

3. Resolution 2 – Re-election of Director – Gregory Fry

Mr Gregory Fry was appointed a Director of the Company on 18 August 2009 and was last re-elected on 17 November 2011.

Pursuant to clause 13.2 of the Company's Constitution, Mr Fry, being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as Director of the Company.

A summary of Mr Fry's qualifications and experience is provided in the Company's Annual Report.

4. Resolutions 3, 4 and 5 – Approval of Issue of Shares to Directors Under Employee Share Plan

Background

ASX Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX'S opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

An exception to ASX Listing Rule 10.11 is set out in ASX Listing Rule 10.12 (exception 4) which provides that ASX Listing Rule 10.11 does not apply to issues made with the approval of shareholders under ASX Listing Rule 10.14.

ASX Listing Rule 10.14 provides that an entity must only allow Directors or their associates to acquire securities under an employee incentive plan with the approval of Shareholders and provided the Notice of Meeting complies with ASX Listing Rules 10.15 or 10.15A.

The Employee Share Plan is an employee incentive scheme for the purposes of the ASX Listing Rules. The Board proposes to invite each of the Directors to apply for Shares under the Employee Share Plan in lieu of payment of cash remuneration that will accrue to each of the Directors over the next 12 months. The invitations will be made on a quarterly basis for services that have been provided to the Company during the previous quarter (payment in arrears). The Employee Share Plan can be therefore be used to reduce the cash costs of the Company by allowing the Directors to take a portion of their remuneration in equity. As a consequence, a greater proportion of the Company's cash reserves can therefore be allocated to advancing the Company's projects.

Resolutions 3 to 5 seek Shareholder approval for the issue of up to a total of 34,583,336 Shares to the Directors under Employee Share Plan as follows:

| Director | Dec-14 Qtr | Mar-15 Qtr | Jun-15 Qtr | Sep-15 Qtr | Number of Shares |
|----------------|------------|------------|------------|------------|------------------|
| Gregory Fry | 3,437,500 | 3,437,500 | 3,437,500 | 3,437,500 | 13,750,000 |
| Alasdair Cooke | 4,166,667 | 4,166,667 | 4,166,667 | 4,166,667 | 16,666,668 |
| Michael Curnow | 1,041,667 | 1,041,667 | 1,041,667 | 1,041,667 | 4,166,668 |
| | 8,645,834 | 8,645,834 | 8,645,834 | 8,645,834 | 34,583,336 |

The maximum number of Shares to be issued under the Employee Share Plan will be equal to the amount of directors' fees that have accrued and are owing to each respective Director at each quarter. The Company will issue Shares under the Plan to the Directors subject to the requirements of the Listing Rules and/or the Corporations Act. The deemed issue price for the Plan Shares has been fixed at \$0.006 (6 tenths of a cent). This issue price is greater than the most recent closing price of Shares at the date of this Notice of \$0.005 (at 1 October 2014).

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required as the issue of Shares under the Employee Share Plan forms part of the reasonable remuneration of the Directors and such remuneration is on reasonable arms length terms with Shares to be issued under the Employee Share Plan after fees have accrued and at a fixed price greater than the price of Shares at the date of this Notice.

Information required under ASX Listing Rule 10.15

For the purposes of ASX Listing Rules 10.15, the following information is provided to Shareholders:

- The Shares will be granted to Mr Fry, an Executive Director of the Company, Mr Cooke, the Executive Chairman of the Company and Mr Curnow, a Non-Executive Director of the Company, or their nominees.
- The maximum number of Shares that may be acquired by all of the Directors is up to 20,750,000 as set out in the table above. The formula for calculating the number of Shares is based on the amount of accrued but unpaid directors fees at a deemed issue price of \$0.01 (1 cent).
- The Shares will be issued to Messrs Fry, Cooke and Curnow (or their respective nominees) on a quarterly basis no later than 12 months after the date of issue of the Annual General Meeting.
- The Shares will be issued in lieu of cash remuneration that the Directors are entitled to be paid and, accordingly, no funds will be raised. The Shares under the Employee Share Plan will be issued at a deemed price of \$0.006 (6 tenths of a cent).

- e) Shareholder approval to issue Shares to the Directors under the Employee Share Plan was last given at the 2013 Annual General Meeting held on 29 November 2013. Since that date, the Company has issued the following Shares to the Directors under the Employee Share Plan:

| Name of Director | Number of Shares received | Acquisition price |
|------------------|---------------------------|-------------------|
| Gregory Fry | 8,250,000 | 0.5 cents |
| Alasdair Cooke | 12,500,000 | 0.5 cents |
| Michael Curnow | 2,500,000 | 0.5 cents |

- f) All Directors and their nominees are entitled to participate in the Employee Share Plan. As at the date of this Notice, the Directors are Messrs Fry, Cooke and Curnow.
- g) There are no loans provided to the Directors in relation to the acquisition of Shares under the Employee Share Plan.
- h) The Shares will be issued on the same terms as the fully paid ordinary shares of the Company and will rank equally with all of the Company's existing shares. The Company will apply for quotation on ASX for any Shares issued under the Employee Share Plan.

5. Resolution 6 – Approval of Energy Ventures Performance Rights Plan

Background

In August 2014 the Board adopted the Performance Rights Plan ("Plan") to enable the Company to issue Performance Rights to employees and Directors.

The Plan was developed by the Board to provide an opportunity to employees and Directors to participate in the Company's future growth and provide an incentive to contribute to that growth. The Plan is further designed to assist in retaining employees.

Performance Rights were chosen as they allow the Company to incentivise employees and Directors of the Company without creating onerous up-front taxation obligations on them for a security (Share) they may not receive.

A summary of the Plan is set out in Annexure A.

Regulatory Requirements

Shareholder approval is being sought to allow the Company to rely on an exception to the calculation of the 15% limit imposed by ASX Listing Rule 7.1 on the number of securities that may be issued without shareholder approval. ASX Listing Rule 7.2 exception 9(b) provides that ASX Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by shareholders and the issue of securities is within 3 years from the date of shareholder approval of the issue of securities under the employee incentive scheme.

The Plan is an employee incentive scheme under the ASX Listing Rules.

If an offer is made to a Director to participate in the Plan then separate Shareholder approval will need to be obtained.

Recommendation

The Board recommends that Shareholders approve the Plan. It will allow the Company to issue securities for the benefit of participants of the Plan whilst preserving the Company's 15% limit of issuing securities and provide flexibility in the manner in which the Plan is managed.

6. Resolution 7 – Ratification of Issue of Performance Rights

Background

On 2 September 2014 the Company issued 6,000,000 Performance Rights to Mr Geoffrey Laing, the terms of which are set out in Annexure B.

ASX Listing Rule 7.1 provides, subject to certain exceptions, that without shareholder approval, a listed company must not issue equity securities where the number of equity securities proposed to be issued represents more than 15% of the company's shares then on issue.

ASX Listing Rule 7.4 provides that an issue of securities made without the approval under ASX Listing Rule 7.1 is treated as having been made with approval if the issue of securities did not breach ASX Listing Rule 7.1 (that is, the issue was within the Company's 15% capacity) and shareholders subsequently approve it.

Information required under ASX Listing Rule 7.5

For the purposes of ASX Listing Rule 7.5, the following information is provided to Shareholders:

- a) The number of securities issued was 6,000,000 Performance Rights.
- b) The Performance Rights were issued for nil consideration.

- c) The terms of the Performance Rights are set out in Annexure B.
- d) The Performance Rights were issued to Mr Geoffrey Laing, who is not a related party of the Company.
- e) No funds were raised by the issue of the Performance Rights.

GLOSSARY

In this Explanatory Statement, the following expressions have the following meanings:

"**Annual General Meeting**" means this Meeting.

"**ASIC**" means the Australian Securities and Investments Commission.

"**ASX**" means the ASX Limited.

"**ASX Listing Rules**" or "**Listing Rules**" means the listing rules of ASX.

"**Board**" means the Board of Directors of the Company.

"**Chair**" means the Chair of the Meeting.

"**Company**" or "**Energy Ventures**" means Energy Ventures Limited (ABN 89 106 523 611).

"**Constitution**" means the Constitution of the Company.

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

"**Directors**" means the Directors of the Company from time to time.

"**Employee Share Plan**" means the Energy Ventures Employee Share Plan adopted by the Board on 10 October 2012.

"**Explanatory Statement**" means this explanatory statement.

"**Meeting**" means the meeting convened by this Notice.

"**Notice**" means the Notice of Meeting that accompanies this Explanatory Statement.

"**Performance Right**" means a right to acquire a Share.

"**Performance Rights Plan**" or "**Plan**" means the Energy Ventures Performance Rights Plan summarised in Annexure A.

"**Resolution**" means a resolution contained in the Notice.

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

"**Shareholder**" means a registered holder of Shares in the Company.

"**WST**" means Western Standard Time, Perth, Western Australia.

"**\$**" means Australian dollars unless otherwise stated.

ANNEXURE A
SUMMARY OF THE TERMS OF THE PERFORMANCE RIGHTS PLAN (Resolution 6)

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|--|--|
| 1. Purpose | The purpose of the Plan is to provide an incentive for eligible employees, consultants and contractors to participate in the future growth of the Company and, upon becoming shareholders, to participate in the Company's profits and development. |
| 2. Eligible Employee | An Eligible employee is a full or part-time employee or Director of the Company or a related body corporate (" Eligible Employees "). |
| 3. Offers | Subject to the rules of the Plan, the Board may invite Eligible Employees, consultants and contractors to apply for Performance Rights. The number of Performance Rights to be offered will be determined by the Board in its discretion. The Performance Rights must be granted free of charge. |
| 4. Nature of Performance Rights | <p>(a) The Performance Rights are non-transferable, except with the prior written approval of the Board.</p> <p>(b) The rights under the Performance Rights are personal and contractual. A Performance Right does not confer any legal or interest in a Share nor any entitlement to attend or vote at meetings of the Company, to dividends, participation in new issues of securities or entitlement to participate in any return of capital.</p> <p>(c) Unless otherwise determined by the Board, Performance Rights vest at the end of the specified performance period provided that:</p> <p style="margin-left: 20px;">(i) the specified performance hurdles have been satisfied; and</p> <p style="margin-left: 20px;">(ii) the issue of Shares on vesting of Performance Rights does not contravene the Corporations Act, the Listing Rules or any Company policy applicable to dealing in Shares by the holder.</p> <p>(d) Despite paragraph (c), Performance Rights will vest if there is a "<i>Change of Control Event</i>" or, in the Board's discretion, in the event of the death or permanent disablement of the holder. "<i>Change of Control Event</i>" means a person or a group of associated persons becoming entitled to sufficient Shares to give that person or persons the ability to, in general meeting, to replace all or a majority of the Board.</p> <p>(e) Upon vesting, one (1) Share will be issued for every one (1) Performance Right. The Shares will rank equally in all respects with the existing Shares. The Company must apply for official quotation by ASX of all Shares allotted pursuant to the vesting of Performance Rights.</p> <p>(f) If, in the reasonable opinion of the Board, a holder of a Performance Right acts fraudulently or dishonestly in any material respect or is in material breach of his or her obligations to the Company or related body corporate, then the Board may deem unvested Performance Rights to lapse.</p> <p>(g) The Performance Rights lapse upon the Eligible Employee ceasing to be employed or on the failure to satisfy any performance hurdles within the required time following the issue of the Performance Rights.</p> <p>(h) If the Company makes a bonus issue of Shares, then the holder of the Performance Right upon vesting will be entitled to have issued to it the increased number of Shares that it would have received if the Performance Right had vested and the holder acquired Shares in respect of the Performance Right before the record date for the bonus issue.</p> <p>(i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the vesting date, the number of Performance Rights will be reconstructed in a manner consistent with the Listing Rules.</p> <p>(j) A Performance Right must not be granted and will not vest, and the Shares must not be issued on vesting of the Performance Right if to do so would breach any law, the Corporations Act or the Listing Rules.</p> |
| 5. Performance Hurdles | The Board will determine performance hurdles that will apply to each Performance Right. A Performance Right will only vest when the performance hurdles specified at the time of issue have been satisfied, unless otherwise determined by the Board. Subject to not breaching regulatory requirements, the Company must issue one Share for every one Performance Right vesting. |

| | |
|----------------------|---|
| | Any unvested Performance Rights will lapse upon the Eligible Employee ceasing to be employed where Performance Rights are issued to an Eligible Employee or on the failure to satisfy any performance hurdles within a required time. |
| 6. Amendments | The Board may make such amendments to the Plan as it sees fit subject to the Listing Rules and subject to any amendment not reducing the rights of an Eligible Participant for issued Performance Rights other than in limited circumstances relating to legislative compliance, manifest error and adverse tax implications. |
| 7. Operation | The operation of the Plan is subject to the laws of Australia, the Listing Rules and the Corporations Act. |

ANNEXURE B
TERMS OF PERFORMANCE RIGHTS (Resolution 7)

The material terms of the Performance Rights to be issued the subject of Resolution 7 are:

1. The Performance Rights are non-transferable, except with the prior written approval of the Board.
2. The rights under Performance Rights are personal and contractual. A Performance Right does not confer any legal or interest in a Share nor any entitlement to attend or vote at meetings of the Company, to dividends, participation in new issues of securities or entitlement to participate in any return of capital.
3. The performance hurdle on the issue of all the Performance Rights the subject of Resolution 7 is the completion of a metallurgical study programme on the Company's Aurora uranium project by the consultant to the Company's satisfaction by 1 September 2015.
4. Unless otherwise determined by the Board, the Performance Rights vest at the end of the specified performance period provided that:
 - a. The specified performance hurdle has been satisfied; and
 - b. The issue of Shares on vesting of Performance Rights does not contravene the Corporations Act, the Listing Rules or any Company policy applicable to dealing in Shares by the holder.
5. Despite paragraph 4, Performance Rights will vest if there is a "Change of Control Event" or, in the Board's discretion, in the event of the death or permanent disablement of the holder. "Change of Control Event" means a person or a group of associated persons becoming entitled to sufficient Shares to give that person or persons the ability to, in general meeting, to replace all or a majority of the Board.
6. Upon vesting, one (1) Share will be issued for every one (1) Performance Right. The Shares will rank equally in all respects with the existing Shares. The Company must apply for official quotation by ASX of all Shares allotted pursuant to the vesting of Performance Rights.
7. If, in the reasonable opinion of the Board, a holder of a Performance Right acts fraudulently or dishonestly in any material respect or is in material breach of his or her obligations to the Company or related body corporate, then, the Board may deem unvested Performance Rights to lapse.
8. If the Company makes a bonus issue of Shares, then the holder of the Performance Right upon vesting will be entitled to have issued to it the increased number of Shares that it would have received if the Performance Right had vested and the holder acquired Shares in respect of the Performance Right before the record date for the bonus issue.
9. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the vesting date, the number of Performance Rights will be reconstructed in a manner consistent with the Listing Rules.
10. A Performance Right must not be granted and will not vest, and the Shares must not be issued on vesting of the Performance Right if to do so would breach any law, the Corporations Act or the Listing Rules.

Proxy Form

I/We

being a member of Energy Ventures Limited entitled to attend and vote at the Annual General Meeting, hereby

appoint

Name of Proxy

or failing the person so named or, if no person is named, the Chair of the Meeting or the Chair's nominee, 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 to be held at Suite 1, 245 Churchill Ave, Subiaco Western Australia on Tuesday, 18 November 2014 at 1.00pm (WST) and at any adjournment thereof.

Important for Resolutions 1, 3, 4, 5 and 6

If you appoint a member of the Company's key management personnel (other than the Chair of the Meeting) or a closely related party of a member of the Company's key management personnel as your proxy, and you do not direct your proxy how to vote in respect of Resolutions 1, 3, 4, 5 or 6, your proxy will **NOT** cast your vote on the resolution and your votes will not be counted.

If you appoint the Chair of the Meeting as your proxy (or the Chair of the Meeting becomes your proxy by default), and you do not direct your proxy how to vote in respect of Resolutions 1, 3, 4, 5 or 6 your vote will be cast in favour of each these Resolutions, and you hereby expressly authorise the Chair of the Meeting to exercise your proxy even though these Resolutions are connected directly or indirectly with the remuneration of the members of the Company's key management personnel. **The Chair intends to vote any undirected proxies in favour of all Resolutions.**

Voting on Business of the Annual General Meeting

| | | FOR | AGAINST | ABSTAIN |
|--------------|---|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Re-election of Director – Mr Gregory Fry | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Approval of Issue of Shares to Director Under Employee Share Plan – Mr Gregory Fry | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 | Approval of Issue of Shares to Director Under Employee Share Plan – Mr Alasdair Cooke | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5 | Approval of Issue of Shares to Director Under Employee Share Plan – Mr Michael Curnow | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 6 | Approval of Energy Ventures Performance Rights Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 7 | Ratification of issue of Performance Rights | <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 that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Please return this Proxy Form to the Company Secretary, Energy Ventures Limited, PO Box 162, Subiaco, Western Australia 6904 or by fax to +61 8 6465 5599 by 1.00pm (Western Standard Time) on Sunday, 16 November 2014.

Signed this _____ day of _____ 2014

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Joint Securityholder 2

Director/Company Secretary (delete one)

Joint Securityholder 3

Director

Please cut here

Energy Ventures Limited
ABN 89 106 523 611

Instructions for Completing Proxy Form

1. In accordance with section 249L of the Corporations Act, a Shareholder of the Company who is entitled to attend and cast two or more votes at a general meeting of Shareholders is entitled to appoint two proxies. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - two Directors of the Company;
 - a Director and a Company Secretary of the Company; or
 - for a proprietary company that has a sole Director who is also the sole Company Secretary – that Director.

For the Company to rely on the assumptions set out in sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with sections 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of sections 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole Director and sole Company Secretary of the Company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. In accordance with section 250BA of the Corporations Act, the Company specifies the following for the purposes of receipt of proxy appointments:

Registered Office: Suite 1, 245 Churchill Ave, Subiaco, Western Australia, 6008

PO Box: PO Box 162, Subiaco, Western Australia, 6904

Fax Number: +61 8 6465 5599

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