



ABN 89 106 523 611

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

**For the Annual General Meeting to be held on 25 November 2008
at 11.00am (Western Standard Time)
at Ground Floor, 8 Colin Street, West Perth, 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.***

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:

**Ground Floor
8 Colin Street
West Perth, Western Australia**

**Commencing
at 11.00am (Western Standard Time)
on 25 November 2008**

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 11.00am (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 post or delivery) to the Company's office at Ground Floor, 8 Colin Street, West Perth, Western Australia; or
- send the proxy by facsimile to facsimile number +61 8 9324 2171.

so that it is received not later than 11.00am (Western Standard Time) on 23 November 2008.

Your proxy form is enclosed.

ENERGY VENTURES LIMITED
ABN 89 106 523 611

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Energy Ventures Limited will be held at Ground Floor, 8 Colin Street, West Perth, Western Australia on 25 November 2008 at 11.00am (Western Standard Time) for the purpose of transacting the following business.

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

AGENDA

GENERAL BUSINESS

Accounts and Reports

To receive and consider the financial reports of the Company for the financial year ended 30 June 2008 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 2008 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.

Resolution 2 - Re-Election of Director – Michael Curnow

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

"That Michael Curnow, 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: Michael Curnow has been a Director of the Company since 27 April 2006 and was last re-elected on 30 November 2006. Michael Curnow is presented for re-election in accordance with the rotation requirements of the Company's Constitution.

Resolution 3 – Approval of Employee Share Option 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 Exception 9 of Listing Rule 7.2 of the Listing Rules of ASX Limited and for all other purposes, approval is given for the issue of securities under the employee share option plan called the "Energy Ventures Employee Share Option Plan", a summary of which is contained in the Explanatory Statement, as an exception to Listing Rule 7.1 of the Listing Rules of ASX Limited."

Short Explanation: Shareholders must approve the issue of securities under an employee incentive scheme to be an exception to the requirements of Listing Rule 7.1.

Voting exclusion: The Company will disregard any votes cast on this Resolution by a Director of the Company (except one who is ineligible to participate in the Energy Ventures Employee Share Option Plan) and any associate of those persons. However, the Company will not disregard a vote 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 a person chairing that 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.

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 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.
3. 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 23 November 2008 at 11.00am (Western Standard Time).
4. 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.

BY ORDER OF THE BOARD



Brett Mitchell
Director and Company Secretary
Dated: 17 October 2008

ENERGY VENTURES LIMITED
ABN 89 106 523 611

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. 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 2008.

The Directors recommend that Shareholders vote in favour of Resolution 1. Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company.

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

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MICHAEL CURNOW

Mr Curnow was appointed a director of the Company on 27 April 2006 and was last re-elected on 30 November 2006.

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

Details of the qualifications and experience of Mr Curnow are set out in the 2008 Annual Report for the Company.

3. RESOLUTION 3 – APPROVAL OF EMPLOYEE SHARE OPTION PLAN

On 24 August 2005 the Directors resolved to adopt the Company's Employee Share Option Plan ("**Plan**"). At the general meeting of Shareholders held on 28 September 2005, Shareholders approved the issue of securities under the Plan as an exception to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides 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. This rule does not apply to an issue of securities under an employee incentive scheme if shareholders have approved the issue of securities under the scheme pursuant to exception 9 of ASX Listing Rule 7.2. Exception 9 of ASX Listing Rule 7.2 is only effective for issues of securities made under a scheme for 3 years from the date of Shareholder approval.

It has been 3 years since Shareholders last approved the issue of securities under the Plan. Therefore, to continue to rely on exception 9 of ASX Listing Rule 7.2 Shareholders must again approve the issue of securities under the Plan.

The Plan provides a means of attracting and retaining Directors, key employees and rewarding existing employees for their ongoing service to the Company. All Directors and permanent full-time and part-time employees will be eligible to participate in the Plan. The grant of employee options under the Plan is designed to provide meaningful incentives to those persons to pursue the optimal performance of the Company. The grant of employee options to any Director will require the specific approval of Shareholders.

Under the Plan, the Board may offer to eligible employees the opportunity to subscribe for employee options in the Company on the terms set out in the rules of the Plan, a summary of which is set out below. Participation in the Plan will be offered to eligible employees at the Board's discretion but based on a consideration of, among other things, the seniority of the person, the length of service of the eligible employee with the Company and the potential contribution of the eligible employee to the growth of the Company.

The Company has issued 15,150,000 employee options under the Plan since 28 September 2005 being the date of the last Shareholder approval.

SUMMARY OF ENERGY VENTURES EMPLOYEE SHARE OPTION PLAN

A summary of the terms of the Plan is set out below:

- (a) Under the Plan the Company may offer options to subscribe for shares in the Company to Eligible Persons. Directors and part-time or full-time employees of the Company are "Eligible Persons" for the purposes of the Plan. Eligible Persons may nominate a nominee to hold options in their place.
- (b) The Board may determine that an Eligible Person is entitled to participate in the Plan and the extent of that entitlement after consideration of specified matters.

- (c) Options offered under the Plan are to be offered on such terms and the Board determines and the offer must set out specified information including the number of options, the period of the offer and calculation of the exercise price. The exercise is to be determined by the Board with reference to the market value of the shares at the time of resolving to offer the options. Eligible Persons may accept the whole or a lesser number of the options offered to them.
- (d) No consideration is payable for the grant of the options unless the Board decides otherwise and the Company will not apply for official quotation of the options.
- (e) The options are not transferable except to the options holder's personal representative in the event of the death of the holder of the options.
- (f) The options may be exercised in whole or part by notice to the Company accompanied by payment of the required exercise price. Within 10 business days of exercise the Board must issue the required number of shares, which will rank pari passu with previously issued shares.
- (g) The options may be exercised prior to the expiry date determined by the Board prior to the offer of the relevant options but no longer than 5 years from the date of grant of the options. Any options not exercised by that time will lapse.
- (h) Notwithstanding the terms of the options, the options may be exercised in the event of specified occurrences including a change of control allowing replacement of all or a majority of the Board or during the period of a takeover bid for the Company.
- (i) Unless the Board determines otherwise, if an Eligible Person ceases to be an Eligible Person prior to the earliest date for exercise of their options, for any other reason other than a "Specified Reason" (being retirement at age 60 or over, permanent disability, redundancy or death), the options held by them or their nominee will automatically lapse. If an Eligible Person ceases to be an Eligible Person prior to the earliest date for exercise of their options because of a Specified Reason, the Board may, in its absolute discretion, waive or vary any conditions of exercise in regard to the options held by that Eligible Person, in which case that Eligible Person or their nominee will have 3 months or such longer period as the Board determines to exercise their options. If an Eligible Person ceases to be an Eligible Person after the earliest date for exercise of their options for any other reason other than a Specified Reason, such Eligible Person or their nominee will have 1 month to exercise their options or such longer period as the Board determines. If an Eligible Person ceases to be an Eligible Person after the earliest date for exercise of their options because of a Specified Reason, such Eligible Person or their nominee is entitled to exercise any such option at any time prior to the expiry date of such option.
- (j) Option holders may only participate in new issues of securities if an option has been exercised and shares allotted before the record date for determining entitlements to the new issue. If there is a bonus issue the number of shares over which the options are exercisable will be increased by the number of shares the option holder would have received if the option had been exercised before the record date of the bonus issue. If

there is a pro rata issue (other than a bonus issue), the exercise price of the options will be adjusted in the manner provided for in the Listing Rules. If there is a reorganisation of capital the options will be reorganised in the manner provided for in the Listing Rules.

- (k) The Company shall not offer options under the Plan if the total number of shares the subject of the options to be offered will exceed 5% of the total number of issued shares of that class when aggregated with:
- (i) the number of shares which would be issued were each outstanding offer or option, being an offer made or option acquired pursuant to the Plan or any other employee share scheme extended only to employees or Directors of the company, exercised; and
 - (ii) the number of shares issued during the previous 5 years pursuant to the Plan or any other employee share scheme extended only to employees or Directors of the Company,

but disregarding any offer made, option acquired or share issued by way of or as a result of an offer under the Plan to a person situated outside Australia; or an offer under the Plan that did not need disclosure to investors because of section 708 of the Corporations Act; or an offer made under a disclosure document.

- (l) The rules of the Plan do not form part of any contract of employment of the option holder and the holder has no rights of compensation or damages as a result of termination of his or her employment so far as those rights arise from the holder ceasing to have rights under the Plan.
- (m) The Plan is administered by the Board who have the power to determine procedures for administration of the Plan and resolve questions of fact or interpretation of the Plan. The Board may also alter, delete or add to the rules of the Plan at any time, subject to the Listing Rules.

ENERGY VENTURES LIMITED
ABN 89 106 523 611

GLOSSARY

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

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

"**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.

"**Chairman**" means the chairman of the Company.

"**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.

"**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.

"**Plan**" means the Energy Ventures Employee Share Option Plan adopted by the Board on 24 August 2005.

"**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.

Energy Ventures Limited

ABN 89 106 523 611

Proxy form

APPOINTMENT OF PROXY
ENERGY VENTURES LIMITED
ABN 89 106 523 611

I/We

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

Appoint

Name of Proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman'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 Ground Floor, 8 Colin Street, West Perth, Western Australia on 25 November 2008 at 11.00am (WST) and at any adjournment thereof.

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 – Michael Curnow | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Approval of Employee Share Option Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

If the chair of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box. By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he has an interest in the outcome of the Resolution and that the votes cast by the Chair of the meeting for those Resolution other than as proxy holder will be disregarded because of that interest. **The Chair intends to vote any such undirected proxies in favour of all Resolutions.** If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the Resolution and your votes will not be counted in calculating the required majority if a poll is called on the Resolution.

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, Ground Floor, 8 Colin Street, West Perth, Western Australia 6005 or by fax to +61 8 9324 2171 by 11.00am (Western Standard Time) on 23 November 2008.

Signed this _____ day of _____ 2008

By:

Individuals and joint holders

Companies (affix common seal if appropriate)

Signature

Director

Signature

Director/Secretary

Signature

Sole Director and Sole Secretary

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:
 - 2 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: Ground Floor, 8 Colin Street, West Perth, Western Australia

Fax Number: +61 8 9324 2171