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**RED FORK ENERGY LIMITED**

**ACN 108 787 720**

**NOTICE OF GENERAL MEETING**

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**TIME:** 10.00am (WST)

**DATE:** 2 May 2011

**PLACE:** Red Fork Energy Limited  
Level 2  
79 Hay Street  
Subiaco  
Western Australia 6008

***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 9200 4470.***

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**TIME AND PLACE OF MEETING AND HOW TO VOTE**

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**VENUE**

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The general meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00am (WST) on 2 May 2011 at:

Red Fork Energy Limited  
Level 2  
79 Hay Street  
Subiaco  
Western Australia 6008

**YOUR VOTE IS IMPORTANT**

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

**VOTING IN PERSON**

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

**VOTING BY PROXY**

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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.

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## NOTICE OF GENERAL MEETING

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Notice is given that the General Meeting of Shareholders will be held at 10.00am (WST) on 2 May 2011 at Red Fork Energy Limited, Level 2, 79 Hay Street, Subiaco Western Australia 6008.

The Explanatory Statement provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 5.00pm (Perth time) on 29 April 2011.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

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## AGENDA

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### 1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – TRANCHE 1 SHARES

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

*"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 20,500,000 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or 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.

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### 2. RESOLUTION 2 – APPROVAL FOR CONVERSION OF CONVERTING NOTES

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 7.1 and for all other purposes, approval is given for the Directors to allot and issue 18,382,353 Shares to holders of Converting Notes, issued by the Company on between 11 January 2011 and 14 March 2011, upon the conversion of 50 Converting Notes (having a total value of \$5,000,000) on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Converting Note Holders and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if this Resolution is passed, and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

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### 3. RESOLUTION 3 – PLACEMENT – TRANCHE 2 SHARES

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

*"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 68,562,500 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or 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.

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**DATED: 29 MARCH 2011**

**BY ORDER OF THE BOARD**

**MS SUZIE FOREMAN  
COMPANY SECRETARY**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 10.00am (WST) on 2 May 2011 at Red Fork Energy Limited, Level 2, 79 Hay Street, Subiaco Western Australia 6008

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

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### 1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – SHARES

#### 1.1 General

On 22 March 2011, the Company announced that it had successfully completed a placement of up to 89,062,500 shares at an issue price of a \$0.32 to raise \$28,500,000 (before issue costs) (**Share Placement**).

The Share Placement consists of two tranches of Shares allocated in the following manner:

- (a) 20,500,000 Shares, having already been issued and are the subject of this Resolution 1 (**Tranche 1 Shares**); and
- (b) up to 68,562,500 Shares to be allotted upon receipt of Shareholder approval pursuant to Resolution 3 of this Notice (**Tranche 2 Shares**).

None of the subscribers pursuant to this issue were related parties of the Company.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of Tranche 1 Shares (**Share Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### 1.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Ratification:

- (a) 20,500,000 Shares were allotted;
- (b) the issue price was \$0.32 per Share;

- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were allotted and issued to sophisticated and professional clients of GMP Securities Europe LLP and E.L. & C. Baillieu Stockbroking Ltd; and
- (e) the funds raised from this issue were used for the further development of the Company's Mississippian oil and gas project in northern Oklahoma, USA.

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## **2. RESOLUTION 2 – APPROVAL FOR CONVERSION OF CONVERTING NOTES**

### **2.1 General**

On 20 December 2010 the Company invited investors to purchase converting notes in order to raise \$5,000,000 (**Converting Notes**). The funds raised from the issue of the Converting Notes have or will be applied towards the further development of the Company's Mississippian oil and gas project in northern Oklahoma, USA.

Between 11 January 2011 and 14 March 2011, the Company issued 50 Converting Notes (each with a face value of \$100,000) to the Converting Note Holders. The conversion of the Converting Notes is subject to Shareholder approval.

The Converting Note Holders are not related parties of the Company.

Resolution 2 seeks Shareholder approval in accordance with ASX Listing Rule 7.1 for the conversion of 50 Converting Notes to the value of \$5,000,000 and the subsequent issue of 18,382,353 Shares at a deemed issue of \$0.272 per Share to Converting Notes Holders.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 above.

The effect of Resolution 2 will be to allow the Directors to issue the Shares upon the conversion of the Converting Notes during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

### **2.2 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Share Ratification:

- (a) the maximum number of Shares to be issued is 18,382,353 Shares;
- (b) the issue price will be \$0.272 per Share;
- (c) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (d) the Shares will be allotted and issued to the Converting Note Holders who are sophisticated and professional investors;

- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the Company intends to use the funds raised towards the further development of the Company's Mississippian oil and gas project in northern Oklahoma, USA.

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### **3. RESOLUTION 3 – PLACEMENT - SHARES**

#### **3.1 General**

Resolution 3 seeks Shareholder approval for the allotment and issue of Tranche 2 Shares (up to 68,562,500 Shares) pursuant to the Share Placement.

None of the subscribers pursuant to this issue will be related parties of the Company.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 above.

The effect of Resolution 3 will be to allow the Directors to issue the Shares pursuant to the Share Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

#### **3.2 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Share Placement:

- (a) the maximum number of Shares to be issued is up to 68,562,500;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) the issue price will be \$0.32 per Share;
- (d) the Shares will be allotted and issued to sophisticated and professional clients of GMP Securities Europe LLP and E.L. & C. Baillieu Stockbroking Ltd;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Share Placement towards the further development of the Company's Mississippian oil and gas project in northern Oklahoma, USA.

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### **4. ENQUIRIES**

Shareholders are requested to contact Ms Suzie Foreman on + 61 8 9200 4470 if they have any queries in respect of the matters set out in these documents.

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## 5. GLOSSARY

**\$** means Australian dollars.

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

**ASX** means ASX Limited.

**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.

**Company** means Red Fork Energy Limited (ACN 108 787 720).

**Constitution** means the Company's constitution.

**Converting Note** has the meaning given to it in Section 2.1.

**Converting Note Holder** means the sophisticated and professional investors who subscribed for Converting Notes pursuant to a letter agreement dated 20 December 2010, as announced to ASX on 22 December 2010.

**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 of Meeting.

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

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

**Proxy Form** means the proxy form accompanying the Notice.

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

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

**Shareholder** means a holder of a Share.

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



## PROXY FORM

**APPOINTMENT OF PROXY  
RED FORK ENERGY LIMITED  
ACN 108 787 720**

### GENERAL MEETING

I/We

of

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

Appoint

Name of proxy

OR

☐

the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General 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 General Meeting to be held at 10.00am (WST), on 2 May 2011 at Red Fork Energy Limited, Level 2, 79 Hay Street, Subiaco, WA 6008 and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

**OR**

#### Voting on Business of the General Meeting

|                                                               | FOR                      | AGAINST                  | ABSTAIN                  |
|---------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| Resolution 1 – Ratification of Prior Issue – Tranche 1 Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 – Approval for Conversion of Converting Notes    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 – Placement – Tranche 2 Shares                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will 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 \_\_\_\_\_%

**Signature of Member(s):**

**Date:** \_\_\_\_\_

**Individual or Member 1**

**Sole Director/Company Secretary**

**Member 2**

**Director**

**Member 3**

**Director/Company Secretary**

**Contact Name:** \_\_\_\_\_ **Contact Ph (daytime):** \_\_\_\_\_

**RED FORK ENERGY LIMITED**  
**ACN 108 787 720**

**Instructions for Completing 'Appointment of Proxy' Form**

1. **(Appointing a Proxy):** A member entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
  - **(Individual):** Where the holding is in one name, the member must sign.
  - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
  - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Red Fork Energy Limited, PO Box 1424, West Perth, WA 6872; or
  - (a) facsimile to the Company on facsimile number +61 8 9200 4471; or
  - (b) email to the Company at [info@redforkenergy.com.au](mailto:info@redforkenergy.com.au),

so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy forms received later than this time will be invalid.**