
ECO QUEST LIMITED

ACN 104 037 372

NOTICE OF GENERAL MEETING

TIME: 11.30 am WST

DATE: 29 October 2012

PLACE: The Celtic Club, 48 Ord Street, West Perth, Western Australia

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, Peter Webse, on (+61 8) 9481 3860

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the General Meeting of the Shareholders of Eco Quest Limited (**Company**) to which this Notice of Meeting relates will be held at 11.30 am WST on Monday, 29 October 2012 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

YOUR VOTE IS IMPORTANT

The business of the General 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 General Meeting are those who are registered Shareholders at 5.00 pm WST on Saturday, 27 October 2012.

VOTING IN PERSON

To vote in person, attend the General 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, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member 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.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this General Meeting. Broadly, the changes 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 is 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 (i.e. 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 (i.e. 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 (i.e. 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:
 - o the proxy is not recorded as attending the meeting;
 - o 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. RESOLUTION 1 – APPROVAL OF PLACEMENT OF SHARES

To consider and, if thought fit, to pass 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 100,000,000 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 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, if the resolution is passed 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.

2. RESOLUTION 2 – ISSUE OF CORPORATE ADVISER OPTIONS

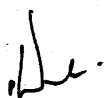
To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“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 40,000,000 Corporate Adviser Options 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, if the resolution is passed 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.

DATED: 28 SEPTEMBER 2012

BY ORDER OF THE BOARD



Peter Webse
Company Secretary

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 which are the subject of the business of the Meeting.

1. RESOLUTION 1 – APPROVAL OF PLACEMENT OF SHARES

1.1 General

On 20 September 2012, the Company announced that it had secured a placement of 100,000,000 fully paid ordinary shares (“**Placement Shares**”) at 1.75 cents each (“**Placement**”).

Resolution 1 seeks Shareholder approval for the allotment and issue of up to 100,000,000 Placement Shares at an issue price of 1.75 cents per Placement Share, to raise up to \$1,750,000, before costs.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

The issue of the Placement Shares exceeds the Company’s 15% placement capacity.

The effect of Resolution 1 will be to allow the Directors to issue the Placement Shares pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by the ASX).

1.2 Information Required for the purposes of ASX Listing Rule 7.1

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

- (a) the maximum number of Placement Shares to be issued is 100,000,000;
- (b) the Placement 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 intend that the allotment of the Placement Shares will occur on the same date;
- (c) the issue price will be 1.75 cents per Placement Share;
- (d) the Placement Shares will be allotted and issued to sophisticated and professional investors, who will not be related parties to the Company;
- (e) the Placement Shares 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 Placement in this Resolution 1 for its existing business, to fund further business development opportunities (including potential acquisition opportunities) and also for ongoing working capital requirements.

2 RESOLUTION 2 – ISSUE OF CORPORATE ADVISER OPTIONS

2.1 General

Resolution 2 seeks Shareholder approval for the allotment and issue of up to 40,000,000 Corporate Adviser Options for the provision of corporate advisory and brokerage services.

The Company is in the process of considering possible corporate advisory mandates. The Company has not reached agreement in respect of any corporate advisory mandate but believes it worthwhile to seek Shareholder approval for the possible issue of such Corporate Advisor Options in the event agreement is reached.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

The issue of the Corporate Adviser Options exceeds the Company's 15% issue capacity.

The effect of Resolution 2 will be to allow the Directors to issue the Corporate Adviser Options pursuant to this Resolution during the period of 3 months after the Meeting (or a longer period, if allowed by the ASX).

2.2 Information Required for the purposes of ASX Listing Rule 7.1

Pursuant to and in accordance ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Corporate Adviser Options:

- (a) the maximum number of Corporate Adviser Options to be issued is 40,000,000;
- (b) the Corporate Adviser Options 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 intend that the allotment of the Corporate Adviser Options will occur progressively;
- (c) the Corporate Adviser Options will be issued for nil cash consideration as part of the terms of any corporate advisory mandate negotiated by the Company;
- (d) as there are no Corporate advisory mandates currently in place the identity of the recipients of the Corporate Adviser Options is unknown, however, the Company notes that no Corporate Advisory Options will be issued to related parties of the Company;
- (e) the Corporate Adviser Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the placement of the Corporate Adviser Options as the Corporate Adviser Options are being issued in consideration of the corporate advisory services.

GLOSSARY

\$ means Australian dollars.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, 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.

Company means Eco Quest Limited (ACN 104 037 372).

Corporate Adviser Options means an option to acquire a Share with the terms and conditions set out in Schedule 1.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a current director of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

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

Optionholder means a holder of an Option.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

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.

SCHEDULE 1 – TERMS AND CONDITIONS OF CORPORATE ADVISER OPTIONS

The Corporate Adviser Options entitle the holder (**Optionholder**) to subscribe for Shares on the following terms and conditions:

- (a) Each Corporate Adviser Option gives the Optionholder the right to subscribe for one Share.
- (b) The Corporate Adviser Options will expire at 5.00 pm (WST) on 31 December 2014 (**Expiry Date**). Any Corporate Adviser Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Corporate Adviser Option will be \$0.01 (**Exercise Price**).
- (d) The Corporate Adviser Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Corporate Adviser Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Corporate Adviser Options specifying the number of Corporate Adviser Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Corporate Adviser Options being exercised;**(Exercise Notice)**.
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Corporate Adviser Options specified in the Exercise Notice.
- (h) The Corporate Adviser Options are freely transferrable.
- (i) All Shares allotted upon the exercise of Corporate Adviser Options will upon allotment rank *pari passu* in all respects with other Shares.
- (j) The Company will apply for official quotation of the Corporate Adviser Options on ASX.
- (k) The Company will apply for official quotation by the ASX of all Shares allotted pursuant to the exercise of Corporate Adviser Options on ASX within 10 Business Days after the date of allotment of those new Shares.
- (l) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (m) There are no participating rights or entitlements inherent in the Corporate Adviser Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Corporate Adviser Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 5 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Corporate Adviser Options prior to the date for determining entitlements to participate in any such issue.
- (n) Subject to paragraph (l), a Corporate Adviser Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Corporate Adviser Option can be exercised.

PROXY FORM

APPOINTMENT OF PROXY
ECO QUEST LIMITED ACN 104 037 372

GENERAL MEETING

I/We

of

being a member of Eco Quest 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, and subject to the relevant laws as the proxy sees fit, at the General Meeting to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia at 11.30 am WST on Monday, 29 October 2012, and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Approval of Placement of Shares	☐	☐	☐
Resolution 2 – Issue of Corporate Adviser Options	☐	☐	☐

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.

Signature of Member(s):

Date: _____

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ Contact Ph (daytime): _____

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and cast a vote at a General Meeting is entitled to appoint a proxy to attend and vote on their behalf at the meeting. If the member is entitled to cast 2 or more votes at the meeting, the member may appoint a second proxy to attend and vote on their behalf at the meeting. However, where both proxies attend the meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A member who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints 2 proxies and the appointments do not specify the proportion or number of the member's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. 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) By hand to Eco Quest Limited, Level 4 Podium, 120 Collins Street, Melbourne, Victoria 3000; or
 - (b) post to Eco Quest Limited, PO Box 18235 Collins Street East, Melbourne, Victoria 8003; or
 - (c) facsimile to the Company on facsimile number +613 8643 4911.

so that it is received no later than 11.30 am (WST) on Saturday, 27 October 2012.

Proxy forms received later than this time will be invalid.