



ACN 119 749 647 (formerly Modena Resources Ltd.)

# Notice of Annual General Meeting and Explanatory Statement

*The Annual General Meeting of*

## **SPRINT ENERGY LIMITED**

ACN 119 749 647

*Will be held at  
11:00am (WST) on 17<sup>th</sup> February 2012*

*At*

*Medina Grand Perth  
33 Mounts Bay Road  
Perth, Western Australia*

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay



# SPRINT ENERGY LIMITED

ACN 119 749 647

Registered office: Suite 304, 22 St Kilda Road, St Kilda Victoria 3182

## NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Members of Sprint Energy Limited (the "Company") will be held at the Medina Grand Perth, 33 Mount Bay Road, Perth, Western Australia at 11:00 am on 17 February 2012 (WST).

### AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

#### ORDINARY BUSINESS

##### Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2011.

*Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly no resolution will be put to shareholders on this item of business.*

##### Resolution 1: Adoption of Remuneration Report

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

*"That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2011 be adopted."*

##### Voting Exclusion Statement:

*A vote in respect of Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:*

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or*
- (b) a closely related party of such a member, unless:*
- (c) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and*
- (d) the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above.*

*Notes: Any undirected proxies held by the Chairman of the meeting, by other Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by either marking the box for Resolution 1 or by marking the Chairman's box on the proxy form (in which case the Chairman of the meeting will vote in favour of this item of business as your proxy).*

##### Resolution 2: Election of Mr Craig Martin as a Director of the Company

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

*"That Mr Craig Martin, a director who was appointed to the Board as a casual vacancy on 24 October 2011, being eligible and having offered himself for election, be elected as a director."*

*Notes: The non-candidate directors unanimously support the election of Mr Craig Martin. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Craig Martin's election.*

**Resolution 3: Election of Mr Andrew Mattin as a Director of the Company**

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

*"That Mr Andrew Mattin, a director who was appointed to the Board as a casual vacancy on 24 October 2011, being eligible and having offered himself for election, be elected as a director."*

*Notes: The non-candidate directors unanimously support the election of Mr Andrew Mattin. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Andrew Mattin's election.*

**Resolution 4: Re-election of Mr Cosimo Damiano as a Director of the Company**

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

*"That Mr Cosimo Damiano, being a director who retires pursuant to the Constitution of the Company and being eligible for re-election offers himself for re-election, is hereby re-elected as a Director of the Company."*

*Notes: The non-candidate directors unanimously support the re-election of Mr Cosimo Damiano. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Cosimo Damiano's re-election.*

**Resolution 5: Election of Dr Jaap Poll as a Director of the Company**

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

*"That Dr Jaap Poll, a director who was appointed to the Board as a casual vacancy on 6 January 2012, being eligible and having offered himself for election, be elected as a director."*

*Notes: The non-candidate directors unanimously support the election of Dr Jaap Poll. The Chairman of the meeting intends to vote undirected proxies in favour of Dr Jaap Poll's election.*

**Resolution 6: Approval to issue shares under convertible loans**

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

*"That, for the purposes of ASX Listing Rule 7.1, the shareholders approve the issue of ordinary shares in the capital of the Company upon the conversion of any or all of the loans advanced to the Company by certain professional and sophisticated investor clients of Truestone Capital Limited ("Lenders") pursuant to the terms of the Converting Loan Agreements in place between the Company and the Lenders, on the basis set out in the Explanatory Memorandum which accompany and form part of the Notice of Annual General Meeting."*

Voting Exclusion for Resolution 6:

*The Company will disregard any votes cast on this resolution by the Directors and/or their associate and persons who participated in the convertible loans, persons who will participate in the issue of shares and persons who will obtain a benefit except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; and an associate of those persons. However the Company need not disregard a vote if:*

- (a) It is cast, in accordance with the directions on the proxy form, by a person as proxy for a person who is entitled to vote; or*
- (b) It is cast, in accordance with the direction on the proxy form to vote as the proxy decides, by the person chairing the meeting as proxy for a person who is entitled to vote.*

**Resolution 7: Approval to issue shares**

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

*"That, for the purposes of ASX Listing Rule 7.1, the shareholders approve the issue of ordinary shares in the capital of the Company in respect to the renegotiation of loans payable to both Leopard Resources Limited (formerly Acclaim Exploration NL), Eldore Mining Corporation Limited and Truestone Capital Limited, on the basis set out in the Explanatory Memorandum which accompanied and formed part of the Notice of Annual General Meeting."*

Voting Exclusion for Resolution 7:

*The Company will disregard any votes cast on this resolution by the Directors and/or their associate and persons who participates in the issue, persons who will participate in the issue of shares and persons who will obtain a benefit except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; and an associate of those persons. However the Company need not disregard a vote if:*

- (a) It is cast, in accordance with the directions on the proxy form, by a person as proxy for a person who is entitled to vote; or*
- (b) It is cast, in accordance with the direction on the proxy form to vote as the proxy decides, by the person chairing the meeting as proxy for a person who is entitled to vote.*

**Resolution 8: Approval to Grant Options**

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, shareholders approve the grant of 55,000,000 options exercisable at \$0.06 (6 cents) at any time prior to 5.00pm (WST) on 31 March 2015 into a fully paid ordinary share in the capital of the Company, and the approval to the allotment and issue of any such ordinary share upon exercise of any such option, with such options being granted on the terms and conditions set out below and in the notice of meeting and which terms and conditions are hereby incorporated into and form part of this resolution.”*

Voting Exclusion for Resolution 8:

*The Company will disregard any votes cast on this resolution by the Directors and/or their associates and clients of Truestone Capital Limited and all persons who will participate in the issue of options. However the Company need not disregard a vote if:*

- (a) It is cast, in accordance with the directions on the proxy form, by a person as proxy for a person who is entitled to vote; or*
- (b) It is cast, in accordance with the direction on the proxy form to vote as the proxy decides, by the person chairing the meeting as proxy for a person who is entitled to vote.*

**Resolution 9: Non-Executive Director Fees**

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

*“That the aggregate maximum remuneration for non-executive members of the Board be and is by this resolution fixed at \$350,000 per annum to be divided between the non-executive members of the Board in such a manner as the Board shall decide”.*

Voting Exclusion for Resolution 9:

*The Company will disregard any votes cast on this resolution by the Directors and/or their associate. However the Company need not disregard a vote if:*

- (a) It is cast, in accordance with the directions on the proxy form, by a person as proxy for a person who is entitled to vote; or*
- (b) It is cast, in accordance with the direction on the proxy form to vote as the proxy decides, by the person chairing the meeting as proxy for a person who is entitled to vote.*

**Resolution 10: Approval to Issue Securities**

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the shareholders approve the issue of up to 100,000,000 securities of the Company for the purposes and on the terms and conditions set out in the Explanatory Memorandum and such securities may be issued at any time(s) and on such terms as the Board decides is appropriate but no later than three (3) months after the date of this meeting.”*

Voting Exclusion for Resolution 10:

*The Company will disregard any votes cast on this resolution by a person who may participate in the proposed issue or an associate of a person who participates in the proposed issue and by 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. However the Company need not disregard a vote if:*

- (a) It is cast, in accordance with the directions on the proxy form, by a person as proxy for a person who is entitled to vote; or*
- (b) It is cast, in accordance with the direction on the proxy form to vote as the proxy decides, by the person chairing the meeting as proxy for a person who is entitled to vote.*

**Resolutions 11: Approval to Grant of Options**

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 10.11 of the ASX Listing Rules and all other purposes, approval is given to grant Mr Andrew Mattin, or his nominee, a total of 5,000,000 unlisted options, with each option exercisable at \$0.04 (4 cents) at any time prior to 5:00pm (WST) on 31 March 2015 into a fully paid ordinary share in the capital of the Company, and the approval to the allotment and issue of any such ordinary share upon exercise of any such option, with such options being granted on the terms and conditions set out below and in the notice of meeting and which terms and conditions are hereby incorporated into and form part of this resolution.”*

Voting Exclusion for Resolution 11:

*The Company will disregard any votes cast on this resolution by the Directors and any other member of Key Management Personnel and/or their associates. However the Company need not disregard a vote if:*

- (a) It is cast, in accordance with the directions on the proxy form, by a person as proxy for a person who is entitled to vote; or*
- (b) It is cast, in accordance with the direction on the proxy form to vote as the proxy decides, by the person chairing the meeting as proxy for a person who is entitled to vote.*

## EXPLANATORY STATEMENT

### Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2011 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report) and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively you may access the annual report at the Company's website: [www.sprintenergy.com.au](http://www.sprintenergy.com.au) or via the Company's announcement platform on ASX. Except for as set out in Resolution 1, no resolution is required on these reports.

### Resolution 1: Adoption of Remuneration Report

The Corporations Act requires that at a listed Company's Annual General Meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, section 250R(3) of the Corporations Act expressly provides that the vote on such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company (described as "**Key Management Personnel**"). The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2011.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Pursuant to the *Corporations Amendment (Improving Accountability for Director and Executive Remuneration) Bill 2011* which amended the Corporations Act from 1 July 2011, if 25% or more of votes that are cast are voted against the adoption of the remuneration report at two consecutive annual general meetings (effectively, "two strikes"), shareholders will be required to vote at the second of those annual general meetings on a resolution (referred to as a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must go up for re-election. The spill resolution requirements will only be triggered where both strikes occur after 1 July 2011. On this basis, while votes on the Remuneration Report at this Annual General Meeting will be counted towards the two strikes, the first spill resolution can only potentially occur following the Company's 2012 Annual General Meeting.

Also, the *Corporations Amendment (Improving Accountability for Director and Executive Remuneration) Bill 2011* has introduced new prohibitions on key management personnel and their closely related parties from voting or voting undirected proxies on, amongst other things, remuneration matters. Accordingly, any undirected proxies held by the Chairman of the meeting, other Directors or by other Key Management Personnel or their closely related parties for the purposes of Resolution 1 will not be voted on Resolution 1.

The Company encourages all Shareholders to cast their votes in relation to Resolution 1 and if Shareholders choose to appoint a proxy, Shareholders are encouraged to direct their proxy how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the proxy form or by marking the Chairman's box (in which case the Chairman of the meeting will vote in favour of Resolution 1 as your proxy).

### Resolution 2: Election of Mr Craig Martin as a Director of the Company

Mr Craig Martin was appointed as a director on 24 October 2011 as a casual vacancy and retires in accordance with the Company's Constitution and is eligible for election.

Craig Martin is a senior executive oil and gas professional with extensive experience in oil and gas, offshore and onshore operations. Craig has worked for Australian and international upstream operators for more than 26 years in oil and gas production operations, field development, exploration, drilling and crude oil and gas marketing. He has worked for operating companies including Santos, Cultus Petroleum, Gulf Australia, Newfield Exploration, OMV, Coogee Resources Otto Energy and Nido Petroleum. Craig holds a Bachelor of Science Degree (Geology), a Master of Business Administration and Graduate Diploma in Oil and Gas Engineering. He is a member of the Society of Petroleum Engineers (SPE), the American Association of Petroleum Geologists (AAPG), the Petroleum Exploration Society of Australia (PESA), the Australian Mining and Petroleum Law Association (AMPLA) and is also a member of the Australian Institute of Company Directors (AICD).

### **Resolution 3: Election of Mr Andrew Mattin as a Director of the Company**

Mr Andrew Mattin was appointed as a director on 24 October 2011 as a casual vacancy and retires in accordance with the Company's Constitution and is eligible for election.

Andrew Mattin has over 21 years experience in the exploration, development and production of oil and gas in Australia, New Zealand, South-East Asia, Europe, North Africa, and the USA with a range of companies, including Woodside Energy, Tap Oil and Nido Petroleum. During his career he has held technical and executive positions, including Vice President for Production whilst at Nido. Andrew has been responsible for a number of onshore and offshore exploration, development and production assets; government and joint venture relations; health, safety, security and environmental management, and new ventures and acquisitions. Most recently he has been working as an independent consultant to a number of ASX listed oil and gas companies. Andrew is a member of the Australian Institute of Company Directors (AICD), the Society of Petroleum Engineers (SPE), and South East Asian Petroleum Exploration Society (SEAPEX).

### **Resolution 4: Re-election of Mr Cosimo Damiano as a Director of the Company**

The Constitution of the Company requires that at every annual general meeting, one-third or the number nearest one-third of the Directors, shall retire from office and provides that such Directors are eligible for re-election at the meeting. Mr Damiano being eligible, offers himself for re-election.

Cosimo Damiano has approximately 18 years' experience in the international energy and finance industries which has spanned the entire energy value chain, from Upstream (Exploration & Production, Power Generation, Renewable), Mid-stream (Transmission & Distribution, Processing, Refining) to Downstream (Oil & Gas Marketing, Energy Retailing). His most recent role was Director of Upstream Investments for Mercuria Energy Group a global energy trading company based in Geneva, Switzerland. In his previous and current roles Cosimo has periodically undertaken advisory roles for several oil and gas companies most notably relating to debt and equity structuring, strategic planning and marketing.

### **Resolution 5: Election of Dr Jaap Poll as a Director of the Company**

Dr Jaap Poll was appointed as a director on 6 January 2012, as a casual vacancy and retires in accordance with the Company's Constitution and is eligible for election.

Dr Poll, who holds a BSc, MSc, and a PhD in Structural Geology from the University of Leiden in Holland and commenced working in the petroleum industry in 1966. Since then he has held a number of technical and executive positions with the likes of Shell and Woodside, and has been Chief Executive Officer, an advisor and a Board member to a number of small and medium sized oil and gas companies; most notably Oil Search, Petroz, Otto Energy, and Anzoil. His illustrious 46-year petroleum exploration and production management career has spanned the globe, including the Americas, Europe, the Middle East, South East Asia and Australia. Dr Poll is a certified professional member of the American Association of Petroleum Geology (AAPG), a certified Arbitrator and Mediator and a Distinguished Member of the Petroleum Exploration Society of Australia (PESA).

### **Resolution 6: Approval to Issue Shares under a Converting Loan**

#### **Background to Resolution 6**

Resolution 6 relates to the approval for the purposes of ASX Listing Rule 7.1 of the ordinary shares to be issued to certain professional and sophisticated investor clients of Truestone Capital Limited ("**Truestone**") upon the conversion of the loan advanced to the Company by the professional and sophisticated investor clients ("**Lenders**") pursuant to the Converting Loan Agreements between the Company and the Lenders.

ASX Listing Rule 7.1 provides that a company must not, subject to certain 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 twelve (12) month period.

One circumstance where an issue is not taken into account in the calculation of this 15% limit is where a proposed issue of securities has the prior approval of shareholders at a general meeting. By obtaining shareholder approval to issue the shares the subject of this Resolution, the Company maintains the ability to issue further securities up to the 15% limit without further shareholder approval to take advantage of opportunities which may arise to raise additional capital.

### Terms to the Converting Loan Agreement

During December 2011, the Company entered into a Converting Loan Agreement with each of the Lenders. The aggregate of the loan amounts under the loan agreements is \$1,250,500.

Each of the Converting Loan Agreements provides that the Company will seek shareholder approval in a general meeting of the transactions contemplated by the Converting Loan Agreements including but not limited to the issue of ordinary shares on conversion of the loan in accordance with the applicable provisions of the Listing Rules and the Corporations Act including Listing Rule 7.1.

On receipt of shareholder approval the Lender will be deemed to have directed the Company to apply the loan amount in payment for ordinary shares in the capital of the Company at the issue price and on the further terms and conditions set out below.

### Issue Price:

Following shareholder approval the Company will apply the loan amount by way of subscription by the Lender for ordinary shares at an issue price ("**Conversion Issue Price**") comprising the lower of:

- i) at not less than 80% of the average market price for securities of that class on the last five (5) days on which sales in the securities were recorded immediately prior to the date of issue ; or
- ii) Otherwise, a price of \$0.02 per ordinary share

The issue price will be the same for all Lenders.

### Conversion:

The number of ordinary shares the Company is required to issue to the Lender (or the Lender's nominee) is determined by dividing the loan amount by the Conversion Issue Price.

### Issue and Allotment

The Company will issue and allot the ordinary shares as soon as practicable on 1 given day, but not longer than 2 Business Days after the shareholder approvals are obtained.

### Interest:

Interest is charged on the loan amount at 12% per annum calculated daily. The Company will pay the interest each six months with the first interest payment being made 6 months after the signing of the Converting Loan Agreement.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.3:

- (a) The number of fully paid ordinary shares in the Company to be issued to a particular Lender in respect of a particular conversion will be determined on the basis of the amount of the relevant loan amount for conversion with an issue price comprising the lower of either AU\$0.02 or at not less than 80% of the average market price for securities of that class on the last five (5) days on which sales in the securities were recorded immediately prior to the date of issue.. The issue price will be the same for all Lenders. The aggregate of all loans that will be the subject of conversion is \$1,250,500. The number of ordinary shares the Company is required to issue to a Lender (or the Lender's nominee) is determined by dividing the loan amount by the issue price;
- (b) The approval sought from shareholders in this Resolution is in respect of the ordinary shares that will be issued on conversion of the loans by the Company. The Company anticipates issuing the ordinary shares as soon as practicable on 1 given day, but not longer than 2 Business Days after the shareholder approvals are obtained;
- (c) The ordinary shares issued in respect of a conversion will have an issue price comprising the lower of either AU\$0.02 or at not less than 80% of the average market price for securities of that class on the last five (5) days on which sales in the securities were recorded immediately prior to the date of issue, therefore the scenarios for the maximum number of shares issued under this resolution will be as follows:

Share Price	Maximum shares
\$0.02	62,525,000
\$0.04	31,262,500
\$0.06	20,841,667

- (d) the ordinary shares will be issued to professional and sophisticated investor clients of Truestone Capital Limited or their nominees;
- (e) the securities to be issued pursuant to this Resolution will be fully paid ordinary shares in the capital of the Company ranking equally with the Company's existing listed ordinary shares. The Company will apply to ASX for quotation of the securities;
- (f) No additional funds will be received by the Company from the issue of the ordinary shares as a consequence of the conversion of a loan. The funds raised from the receipt of the loan moneys were used to augment the Company's working capital;
- (g) no securities issued pursuant to this Resolution will be issued to Directors of the Company or their associates; and
- (h) a voting exclusion statement is included in the Notice of General Meeting accompanying this Explanatory Statement.

## **Resolution 7: Approval to Issue Shares**

### **Background to Resolution 7**

The Company has renegotiated its loans payable to reduce by over \$2,800,000. As part of the revisions to these loans, Leopard Resources NL (formerly Acclaim Exploration NL) and Eldore Mining Corporation Limited have both agreed to accept 5,000,000 shares each, as full payment of outstanding interest on their loans totalling A\$362,873. The loans from both companies will accrue zero interest from 31 December 2011.

Truestone Capital Limited was responsible for advising the Company during these negotiations and agreed to accept payment for their services in the form of 5,000,000 shares and 5,000,000 options exercisable at \$0.06.

ASX Listing Rule 7.1 provides that a company must not, subject to certain 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 twelve (12) month period.

One circumstance where an issue is not taken into account in the calculation of this 15% limit is where a proposed issue of securities has the prior approval of shareholders at a general meeting. By obtaining shareholder approval to issue the shares the subject of this Resolution, the Company maintains the ability to issue further securities up to the 15% limit without further shareholder approval to take advantage of opportunities which may arise to raise additional capital.

### **Issue and Allotment**

The Company will issue and allot the ordinary shares as soon as practicable on 1 given day, but not longer than 10 Business Days after the shareholder approvals are obtained.

### **Issue Price:**

The deemed issue price for the shares issued to both Leopard Resources NL and Eldore Mining Corporation Limited is \$0.0725 per ordinary share.

The deemed issue price for the shares issued to Truestone Capital Limited is \$0.02 per ordinary share.

### **Escrow**

The shares issued to Leopard Resources NL and Eldore Mining Corporation Limited under this resolution will be voluntarily escrowed for a period of 12 months from the date of issue.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.3:

- (a) The number of fully paid ordinary shares in the Company to be issued under resolution 7 is 15,000,000 fully paid ordinary shares;
- (b) The approval sought from shareholders in this Resolution is in respect of the ordinary shares that will be issued. The Company anticipates issuing the ordinary shares as soon as practicable on 1 given day, but not longer than 10 Business Days after the shareholder approvals are obtained;

- (c) The ordinary shares issued in respect this resolution have a deemed issue price of \$0.075 for the Leopard Resources NL and Eldore Mining Corporation Limited shares and a deemed issue price of \$0.02 for the Truestone Capital Limited shares.
- (d) the ordinary shares will be issued Leopard Resources NL, Eldore Mining Corporation Limited and Truestone Capital Limited or their nominees;
- (e) the securities to be issued pursuant to this Resolution will be fully paid ordinary shares in the capital of the Company ranking equally with the Company's existing listed ordinary shares. The Company will apply to ASX for quotation for the 5,000,000 shares to be issued to Truestone Capital Limited. The 10,000,000 shares issued to Leopard Resources NL and Eldore Mining Corporation Limited will be subject to a 12 month voluntary escrow from the date of issue;
- (f) No additional funds will be received by the Company from the issue of the ordinary shares. The shares were issued in consideration for services rendered by Truestone Capital Limited and for payment of interest to each of Leopard Resources NL and Eldore Mining Corporation;
- (g) no securities issued pursuant to this Resolution will be issued to Directors of the Company or their associates; and
- (h) a voting exclusion statement is included in the Notice of General Meeting accompanying this Explanatory Statement.

### **Resolution 8: Approval to Grant Options**

#### **Background to Resolution 8**

The Company has renegotiated its loans payable to reduce by over \$2,800,000. Truestone Capital Limited was responsible for advising the Company during these negotiations and agreed to accept payment for their services in the form of 5,000,000 shares and 5,000,000 options exercisable at \$0.06.

Truestone Capital Limited also provided a mandate to the Company to raise \$2,500,000 in the form of convertible loans in September 2011 and December 2011. The Company resolved to grant 50,000,000 options exercisable at \$0.06 by 31 March 2015 to Truestone Capital to distribute to convertible loan participants.

ASX Listing Rule 7.1 provides that a company must not, subject to certain 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 twelve (12) month period.

One circumstance where an issue is not taken into account in the calculation of this 15% limit is where a proposed issue of securities has the prior approval of shareholders at a general meeting. By obtaining shareholder approval to issue the shares the subject of this Resolution, the Company maintains the ability to issue further securities up to the 15% limit without further shareholder approval to take advantage of opportunities which may arise to raise additional capital.

#### **Issue and Allotment**

The Company will issue and allot the ordinary shares as soon as practicable on 1 given day, but not longer than 10 Business Days after the shareholder approvals are obtained.

Resolution 8 seeks shareholder approval to issue 55,000,000 options exercisable at \$0.06 (6 cents) on or before 31 March 2015.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.3:

- (a) The number of securities in the Company to be issued under resolution 8 is 55,000,000 options at an exercise price of \$0.06 (6 cents) on or before 31 March 2015;
- (b) The approval sought from shareholders in this Resolution is in respect of the options that will be granted. The Company anticipates granting the options as soon as practicable on 1 given day, but not longer than 10 Business Days after the shareholder approvals are obtained;
- (c) the options will be issued to clients of Truestone Capital Limited;
- (d) the terms of the securities are detailed in Annexure A

- (e) the options have been issued for nil consideration;
- (f) no securities issued pursuant to this Resolution will be issued to Directors of the Company or their associates; and
- (g) a voting exclusion statement is included in the Notice of General Meeting accompanying this Explanatory Statement.

#### **Resolution 9: Non-executive Director Fees**

The Constitution of the Company provides that the remuneration of non-executive directors must not exceed in aggregate a maximum amount fixed by the Company in General Meeting. This resolution authorises the directors to fix a maximum aggregate remuneration for non-executive directors at \$350,000, this is an increase of \$200,000 from the current maximum aggregate of \$150,000. The directors believe the maximum aggregate amount of \$350,000 is both commensurate with amounts offered to non-executive directors of public companies of a similar size and industry grouping as the Company, and that the amount will allow adequate scope for the appointment of additional non-executive directors in the future.

#### **Resolution 10: Approval to Issue Securities**

The Board believes it desirable that the Company has the ability to issue up to a further 100,000,000 securities of the Company (including fully paid ordinary shares) as opportunities arise and the need to fund the Company's exploration programs. ASX Listing Rule 7.1 imposes a limit on the number of equity securities which the Company can issue without shareholders' approval. In general terms this limit in any 12 month period is no more than 15% of the number of fully paid ordinary shares on issue 12 months before the issue plus the number of fully paid ordinary shares issued in that 12 month period under an exception contained in ASX Listing Rule 7.2 or with shareholders' approval. Other than to state there is no voting exclusion with respect to this resolution, the information for shareholders required by the ASX Listing Rules is:

- (a) the total number of securities which may be issued under Resolution 10 is a maximum of 100,000,000;
- (b) the recipients are not known at this point however will be determined at the Board's discretion and be professional and/or sophisticated investors;
- (c) no securities pursuant to Resolution 10 will be issued to Directors of the Company or their associates;
- (d) the securities will be allotted and/or issued progressively no later than three (3) months after the date of this meeting;
- (e) the terms of the securities will be at the Board's discretion but will be issued at not less than 80% of the average market price for securities of that class on the last five (5) days on which sales in the securities were recorded immediately prior to the date of issue;
- (f) the securities will rank pari passu with all securities of that class; and
- (g) the funds raised will augment the Company's working capital and its present work programme obligations.

#### **Resolutions 11: Approval to Grant of Options**

Resolutions 11 of the Notice provide for the grant of options to Mr Andrew Mattin. The resolution, if passed, will approve the grant of a total of 5,000,000 unlisted options to subscribe for ordinary fully paid shares at an issue price of \$0.04 (4 cents) on the terms set out herein.

The options to be granted to Mr Andrew Mattin under Resolutions will, if approved for grant, be issued by no later than 17 March 2012, being not more than one month from the date of the meeting. Approval for the issue of the Options is sought in accordance with the provisions of Part 2E of the Corporations Act.

In order for the options to be granted to a Recipient, the requirements of Chapter 2E of the Corporations Act need to be observed.

#### **ASX Listing Rule 10.11**

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities (including an option) to a related party of the company.

If Resolution 11 is passed, the options will be issued to Mr Andrew Mattin, who is a related parties of the Company. Accordingly, approval for the issue of Director Options is required pursuant to ASX Listing Rule 10.11. Approval

pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Options to the Directors as approval is being obtained under ASX Listing Rule 10.11.

Shareholders should note that the issue of securities to the Directors will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. For the purposes of ASX Listing Rule 10.13, the following information is provided in relation to Resolution 11:

- (a) the related party is Mr Andrew Mattin and his related party is by virtue of being a Director;
- (b) the maximum number of Director Options to be issued by the Company is:
  - (i) 5,000,000 to Mr Andrew Mattin (or his nominee)
- (c) the Director Options will be issued not later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that allotment will occur on one date;
- (d) the Director Options will be issued for nil cash consideration, accordingly no funds will be raised from the issue of the Director Options;
- (e) the Director Options will be issued on the terms set out in Annexure B of this Explanatory Statement;
- (f) the value of the Director Options and the pricing methodology is set out in Section (c); and
- (g) the primary purpose of the grant of Director Options to the Director is to provide a market linked incentive package to Andrew Mattin in his capacity as a Director of the Company and for the future performance by him in his respective role. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Director Options upon the terms proposed.

## **Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the benefit falls within one of various exceptions to the general prohibition. One of the exceptions includes where the company first obtains the approval of its shareholders in general meeting in circumstances where the requirements of Chapter 2E in relation to the convening of that meeting have been met.

A “related party” for the purposes of the Corporations Act is defined widely and includes a director of the public company.

A “financial benefit” for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the related party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form).

The proposed Resolution 11, if passed, will confer financial benefits to the Recipients and the Company seeks to obtain Shareholder approval in accordance with the requirements of Chapter 2E of the Corporations Act and for this reason, and for all other purposes, the following information is provided to Shareholders.

### **(a) The related party to whom Resolution 11 would permit the financial benefit to be given**

Mr Mattin has an interest in Resolution 11 as he is interested in the outcome.

The nature of the financial benefit which may be obtained by Mr Mattin as a related party of the Company are that he will be granted the options which, based on a Black-Sholes valuation on the parameters set out herein, have a value of \$0.0414 (4.14 cents each) which means that the options proposed to be granted to Mr Mattin have a value of \$207,000 (4.14 cents each).

The valuation of the options is an assessment of the value inherent in the options. To the extent that the share price changes over time, the value inherent in the options will also change. Consequently, the value created in the option holder will not necessarily equate to the valuation set out herein. It will be a reflection of the difference between the share price at the date chosen and the exercise price.

## **(b) Director's Recommendations**

The *Corporations Act 2001* requires in Section 219, inter alia, that, in relation to each Director of the Company it must be set out herein:

- (a) if the Director wanted to make a recommendation to Members about the proposed resolution(s)—the recommendation and his or her reasons for it; or
- (b) if not—why not; or
- (c) if the Director was not available to consider the proposed resolution—why not.

Accordingly the following information is provided.

In so far as Resolution 11 relating to the grant of options to a particular Director, that particular Director of the Company abstains from making any general recommendation because he is interested in the outcome.

The Directors believe that the Members should consider the matters set out above and the following additional matters set out below in relation to each Director when deciding how to vote on the relevant resolutions.

### **In relation to Mr Mattin and the grant of options to him:**

Mr Damiano, Mr Martin and Dr Poll recommend that Members vote in favour of granting Mr Mattin options.

### **(c) Valuation**

Based on the Binomial model the options to be granted to Mr Mattin, with an expiry date of 31 March 2015, have a value of \$0.0414 (4.14 cents) based on the following parameters:

- (a) a volatility factor of 133.4%;
- (b) the options vest immediately;
- (c) an risk free interest rate of 3.83% representing the 10 year Bank Bill Swap Rate at 12 January 2012;
- (d) a period to expiry until 31 March 2015;
- (e) an underlying share price of \$0.052 (5.2 cents) being the issue price of the shares and compared to the closing price of the shares on the ASX of \$0.052 (5.2 cents) at the last trading day before the date hereof.

The related party benefit being given to the Director is thus the aggregate value of the options for each Director or Officer, expressed in monetary terms, being an aggregate amount of \$207,000.

The grant of options is proposed as remuneration for the Director is considered by them to be fair and reasonable.

The Act provides that members approval is not needed to give a financial benefit if the benefit is remuneration to a related party as an officer or employee and to give the remuneration would be reasonable given the circumstances of the public company or entity giving the remuneration and the related party's circumstances including the responsibilities involved in the office or employment.

### **(d) Directors' Interest and other remuneration**

Mr Mattin has received \$48,006 in Managing Directors fees since his commencement on 24 October 2011.

The Director did not receive any remuneration for services provided in the previous financial year.

The Board asks Members to consider and take into account a number of important factors when deciding how to vote on the resolutions being put to the meeting.

These include that:

1. As discussed above, the options constitute additional remuneration which will only have significant value if the shares in the Company increase significantly in value. Essentially, to the extent that the Director by their actions creates wealth, the grant of these options allows them to participate in the fruits of that wealth creation.

2. The grant of the options under Resolution 11 will increase Directors option holdings to approximately 0.87% of the fully diluted capital of the Company, if all other resolutions in this notice are also passed. This is consistent with the level of options granted to directors of other companies.
3. The ascribed value of the options is small, particularly considering that the value being granted to Director is a non-monetary value which will not diminish the Company's cash resources.
4. While the benefit of the options may be considered by some Members to be significant, the benefits are of a non-monetary kind and cash has to be paid to the Company for the options to be exercised.

### **Voting Restrictions**

The Company will disregard any votes cast on Resolutions 11 by Mr Mattin or any associate of Mr Mattin and any other member of Key Management Personnel. However, the Company will not disregard a vote if:

- it is cast by any such person or any of its associates as 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.

Members should be aware that the acquisition by any person of options does not change voting power. That voting power will only change in accordance with changes in the relevant interests in shareholdings of any member or of those of his/her associates.

**Each Member must form his own opinion in relation to each resolution and vote as he or she considers appropriate having regard to the information contained in this Explanatory Memorandum.**

### **Enquiries**

Shareholders are invited to contact the Company Secretary, Melanie Leydin on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

DATED this 16<sup>th</sup> day of January 2012 at Melbourne.

By order of the Board



**Melanie Leydin**  
**Company Secretary**

## PROXY AND VOTING INSTRUCTIONS

1. For the purposes of the Corporations Act, the Company has determined that all securities of the Company recorded on the Company's register as at 7.00 pm (WST) on the date 48 hours before the date of the Annual General Meeting will be taken, for the purposes of the Meeting, to be held by the persons who held them at that time.
2. The details of the Resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and forms part of this Notice of Meeting.
3. A shareholder 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.
4. If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting on that resolution as they think fit.
5. If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
6. Shareholders who return their proxy forms with a direction on how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf.
7. If a proxy form is returned but the nominated proxy does not attend the meeting, or does not vote on the resolution, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions.
8. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction on how to vote will be used where possible to support each of the resolutions proposed in this Notice.
9. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person excluded from voting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form, or where it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.
10. Key Management Personnel and their closely related parties will not be able to vote your proxy on Resolution 1 unless you direct them how to vote. If you intend to appoint a member of the Key Management Personnel as your proxy, please ensure that you direct them how to vote on Resolution 1. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by either marking the box for Resolution 1 or by marking the Chairman's box on the proxy form (in which case the Chairman of the meeting will vote in favour of this item of business).
11. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office or Computershare Investor Services Pty Ltd in accordance with the instructions set out in the proxy form by no later than 11:00 am (WST) on 15<sup>th</sup> February 2012.

### **By Mail:**

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

### **Alternatively you can fax your form to:**

(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

Relevant custodians may lodge their proxy forms online by visiting [www.intermediaryonline.com](http://www.intermediaryonline.com)

## GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“**ASIC**” means the Australian Securities and Investments Commission;

“**ASX**” means ASX Limited or the Australian Securities Exchange, as the context requires;

“**ASX Settlement Operating Rules**” means the rules of ASX Settlement Pty Ltd which apply while the Company is an issuer of CHESS approved securities;

“**WST**” means Western Standard Time.

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**CHESS**” has the meaning in Section 2 of the ASX Settlement Operating Rules;

“**Company**” means Sprint Energy Limited ABN 47 119 749 647;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Statement;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of Sprint Energy for the financial year ended 30 June 2011 and which is set out in the 2011 Annual Report.

## ANNEXURE A

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Options.
- (b) The Options will expire at 5.00pm (WST) on 31 March 2015 (Expiry Date). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be \$0.06 (6 cents) (Exercise Price).
- (d) The 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 Options by lodging with the Company, before the Expiry Date:
  - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
  - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of 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 Options specified in the Exercise Notice.
- (h) The Options are transferable.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (j) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (k) 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.
- (l) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (m) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

## ANNEXURE B

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (n) Each Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Options.
- (o) The Options will expire at 5.00pm (WST) on 31 March 2015 (Expiry Date). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (p) The amount payable upon exercise of each Option will be \$0.04 (4 cents) (Exercise Price).
- (q) The 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.
- (r) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
  - (iii) a written notice of exercise of Options specifying the number of Options being exercised; and
  - (iv) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised; (Exercise Notice).
- (s) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (t) 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 Options specified in the Exercise Notice.
- (u) The Options are transferable.
- (v) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (w) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (x) 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.
- (y) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (z) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.



# Sprint Energy Limited

ABN 47 119 749 647

## Lodge your vote:



### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

### For all enquiries call:

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

000001 000 SPS  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form

For your vote to be effective it must be received by 11:00am (WST) Wednesday 15 February 2012

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged 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, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the information tab, "Downloadable forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form →**



View the annual report, 24 hours a day, 7 days a week:

**[www.sprintenergy.com.au](http://www.sprintenergy.com.au)**

View and update your securityholding:

**[www.investorcentre.com](http://www.investorcentre.com)**

**Your secure access information is:**

**SRN/HIN: I999999999**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf XX

I/We being a member/s of Sprint Energy Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and 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 of Sprint Energy Limited to be held at the Medina Grand Perth, 33 Mounts Bay Road, Perth, Western Australia on Friday, 17 February 2012 at 11:00am (WST) and at any adjournment of that meeting. The Chairman of the Meeting intends to vote undirected proxies in favour of each Item of business other than in respect of Item 1, where the company has determined that the Chairman is unable to do so. If the Chairman of the Meeting is your proxy (or becomes your proxy by default), you authorise the Chairman to exercise your proxy on Items 6 - 11 even though the Items are connected directly or indirectly with the remuneration of a member of key management personnel. For Items 6 - 11, this authority is also subject to you marking the box in the section below.

**Important for Items 6 - 11:** If the Chairman of the Meeting is your proxy and you have not directed the Chairman how to vote on Items 6 - 11 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Items 6 - 11 and your votes will not be counted in computing the required majority if a poll is called on these Items. The Chairman of the Meeting intends to vote undirected proxies in favour of Items 6 - 11 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if the Chairman has an interest in the outcome of these Items and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

## STEP 2 Items of Business **PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS			For	Against	Abstain				For	Against	Abstain
Item 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 7	Approval to Issue Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Item 2	Election of Mr Craig Martin as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 8	Approval to Grant Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Item 3	Election of Mr Andrew Mattin as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 9	Non-Executive Director Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Item 4	Re-election of Mr Cosimo Damiano as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 10	Approval to Issue Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Item 5	Election of Dr Jaap Poll as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 11	Approval to Grant Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Item 6	Approval to Issue Shares under Convertible Loans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

## SIGN Signature of Securityholder(s) *This section must be completed.*

<b>Individual or Securityholder 1</b>	<b>Securityholder 2</b>	<b>Securityholder 3</b>
<input style="width: 90%; height: 25px;" type="text"/>	<input style="width: 90%; height: 25px;" type="text"/>	<input style="width: 90%; height: 25px;" type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name \_\_\_\_\_ Contact Daytime Telephone \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_