Kimberley Oil NL
ACN 075 760 655

ANNUAL GENERAL MEETING – Friday, 26 November 2004 at 10:30am

Dear Shareholder,

On behalf of the Board of Kimberley Oil NL (**KBO**), it gives me pleasure to invite you to the Annual General Meeting (**AGM**) of shareholders.

The AGM is to be held at the offices of Hall Chadwick, Level 29, St Martins Tower, 31 Market Street, Sydney NSW 2000.

Please find enclosed the following documents in relation to the AGM.

(a) Notice of AGM together with Explanatory Memorandum.

(b) Proxy Forms for AGM together with instructions.

(c) Appointment of Corporate Representative for AGM.

If you are not able to attend the AGM in person, you are urged to complete and lodge the enclosed Proxy or Appointment of Corporate Representative (if a company).

Your Directors hope that you will be able to attend the Meeting and commend the resolutions for your support.

Yours sincerely

Anthony McClure
Director

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of members of Kimberley Oil NL ACN 075 760 655 ("Company") will be held at The offices of Hall Chadwick, Level 29, St Martins Tower, 31 Market Street, Sydney NSW 2000 on Friday 26 November 2004 at 10:30 am for the purpose of transacting the following business.

The Explanatory Statement and the Proxy Form accompanying this Notice are incorporated in and comprise part of this Notice.

BUSINESS

Item 1 - Annual Report

To receive the Financial Statements of the Company for the period ended 30 June 2004 together with the Directors' Report and Declaration in relation to that period and the Independent Audit report on those Financial Statements. During the consideration of this item shareholders are invited to ask questions or make comments on the:

- Financial Statements for the year ending 30 June 2004;
- Directors' Report and Declaration in relation to that period; and
- The Independent Auditor's Report on those Financial Statements.

Item 2 - Resolution 1 – Election of Director – Anthony John McClure

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

"That Mr. Anthony John MCCLURE be re-elected a Director of the Company."

Item 3 - Resolution 2 – Issue of Shares to Otto Oil Vendors

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

"That, for the purposes of Listing Rules 7.4 of the Listing Rules of Australian Stock Exchange Limited and all other purposes, the members ratify the issue of 250,000 ordinary fully paid shares in the Company to the Otto Oil Vendors."

Item 4 - Resolution 3 – Ratification of October 2004 Share Placement

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

"That, in accordance with Listing Rule 7.4 of the Listing Rules of Australian Stock Exchange Limited, the members ratify the issue of 16,000,000 ordinary fully paid shares in the Company at a price of 7.5 cents each during October 2004."

Item 5 – Resolution 4 - Further Placement

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

"That, for the purposes of Listing Rule 7.1 of the Listing Rules of Australian Stock Exchange Limited and all other purposes, approval is given for the Company to make the Further Placement of 8,000,000 fully paid ordinary shares at a price of $0.075 per share."

Item 6 - Other Business

Any other business which may lawfully be brought before the meeting.

The Chairman intends to vote for all resolutions set out in the Notice.

BY ORDER OF THE BOARD

Craig J Ferrier
Company Secretary

20th day of October 2004

EXPLANATORY STATEMENT

THIS EXPLANATORY STATEMENT accompanies the Notice of Meeting convening the Annual General Meeting of members of Kimberley Oil NL ACN 075 760 655 (" ***the Company***").

This Explanatory Memorandum is to provide the Company's members with explanatory notes and information in relation to the resolutions set out in the Notice of Meeting upon which the members are asked to vote at the Annual General Meeting.

This Explanatory Statement should be read in conjunction with the accompanying Notice of Meeting.

1. Resolution 1 – Election of Director – Anthony John McClure

In accordance with Article 14.3 of the Company's Constitution, Mr Anthony John McClure retires as a Director by rotation and, being eligible, offers himself for re-election as a Director.

2. Resolution 2 – Issue of Shares to Otto Oil Vendors

Pursuant to an agreement dated 18 March 2004 (the "Otto Agreement") the Company agreed to issue 500,000 ordinary fully paid shares to the vendors of Otto Oil Pty Ltd ("Otto Oil Vendors"). This agreement superseded earlier letter agreements ("Letter Agreements") between the Company and Otto Oil Pty Ltd ("Otto") which entitled the Company to acquire exploration permit application areas 5/97-8 (Yulleroo) and 6/97-8 (Ungani). Under the Letter Agreements the Company contracted to issue up to 500,000 fully paid shares in the Company as consideration for the transfer of the relevant permits upon grant. As announced in the Company's quarterly report lodged with ASX in April this year, an agreement had been reached to acquire 100% of the issued capital of the exploration permit applicant, Otto Oil, in order to streamline administrative procedures and simplify Native title procedures.

Pursuant to the terms of the Otto Agreement the Company contracted to issue 250,000 ordinary fully paid shares upon the grant of each exploration permit. Of this amount, 100,000 shares had to be issued on the earlier of the spudding of Yulleroo-2 or the grant of the permit

As announced on 18 August 2004, the Company's 100% owned subsidiary, Otto Oil, had been granted EP428 (application area 6/97-8) for a period of 6 years. As a result a total of 250,000 fully paid shares in the Company were allotted to the Otto Oil Vendors in October 2004. It is anticipated that the grant of the exploration permit for application area 5/97-8 will occur in the near term. Accordingly the balance, being 250,000 shares, will be allotted following grant of the relevant permit.

ASX Listing Rule 7.1 limits the number of equity securities which a listed company may issue in any 12 month period without shareholder approval (subject to certain exceptions). The maximum limit is 15% of the total number of fully paid ordinary shares on issue at the beginning of any 12 month period plus the number of fully paid ordinary shares issued with approval of shareholders (or under one of the express exceptions to Listing Rule 7.1) during the previous 12 months.

ASX Listing Rule 7.4 provides that an issue of securities which is made without Shareholder approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if each of the following applies:

(a) The issue did not breach Listing Rule 7.1; and

(b) The holders of ordinary securities subsequently approve it.

For the purposes of Listing Rule 7.5 and in order for Shareholders to ratify the issue of shares to the Otto Oil Vendors in accordance with Listing Rule 7.4, the following information is provided to Shareholders:

(a) The number of securities allotted – 250,000 Fully Paid Shares;

(b) The price which the securities were issued – As the issue of shares is in relation to the effective acquisition of a 100% interest in the exploration permit application areas the issue price will be the prevailing market price at the time the shares are allotted, nominally 7.5 cents per share;

(c) The terms of the securities – The Shares issued to the Otto Oil Vendors were fully paid ordinary shares ranking pari passu with all existing Shares on issue;

(d) The names of the allottees of the Securities:

Names of Allottees	Shares
Bearoak Pty Ltd	83,333
Norwhale Pty Ltd	83,333
Oddbod Pty Ltd	83,334

(e) The allottees and their associates are all unrelated parties of the Company.

(f) As the issue of shares is in relation to the acquisition of an interest in exploration permits there were no funds raised.

Voting Exclusion Statement

The Company will, in accordance with Listing Rule 7.5.6, disregard any votes cast on resolution 2 by the allottees or their associates. However, the Company need not disregard a vote if:

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

(b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

3. Resolution 3 – Ratification of October 2004 Placement

On 15 October 2004 the Company announced that it had entered into subscription agreements under which the participants agreed to subscribe for fully paid ordinary shares in the Company at a price of 7.5 cents for each share. A total of 24,000,000 ordinary shares are to be issued for total proceeds of $1,800,000. The placement has been made in two tranches; the first pursuant to ASX Listing Rule 7.1 comprising 16,000,000 shares raising $1,200,000 ("October 2004 Placement"), and the second tranche of 8,000,000 shares raising $600,000 ("Further Placement") would be completed subject to shareholder approval in accordance with ASX Listing rule 7.1 at the forthcoming Annual General Meeting. The proceeds of the placement will be used to progress the granting of and work on the Company's Western European Coal Bed and Coal Mine Methane projects and for general working capital purposes. The placement has been made principally to financial institutions.

As outlined in item 2 above, ASX Listing Rule 7.4 provides that an issue of securities which is made without Shareholder approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 provided certain conditions are satisfied.

For the purposes of Listing Rule 7.5 and in order for Shareholders to ratify the October 2004 Placement in accordance with Listing Rule 7.4, the following information is provided to Shareholders:

(a) The number of securities allotted – 16,000,000 Fully Paid Shares;

(b) The price which the securities were issued – 7.5 cents per Share;

(c) The terms of the securities – The Shares issued pursuant to the participants of the October 2004 Placement were fully paid ordinary shares ranking pari passu with all existing Shares on issue;

(d) The names of the allottees of the Securities:

Name of Allottee	**Shares**
Nefco Nominees Pty Ltd	8,444,445
Westpac Custodian Nominees Limited	4,453,333
Washington H. Soul Pattinson and Company Limited	880,000
Fortis Clearing Sydney Pty Ltd (A/C Delbent)	666,667
Clodene Pty Limited	666,667
T M Consulting Pty Ltd	453,333
Chifley Investor Group Pty Limited	435,555
Total	**16,000,000**

(e) The allottees and their associates are all unrelated parties of the Company.

(f) The use of the funds raised – The proceeds of the October 2004 Placement and Further Placement will be used to progress the granting and work on the Company's Western European coal bed and coal mine methane projects and for general working capital purposes.

With regards to the European operations, under the terms of agreement, the Company may earn up to a 75% interest in each of four titles through the completion of a reservoir study within 18 months from the granting of each title. The studies are estimated to cost approximately €90,000 (A$155,000) each, with expenditure being capped at €200,000 (A$345,000) per title. In addition, upon the granting of each title (three remain outstanding), the Company must pay a total of €17,000 (A$29,000) per title for the reimbursement of past expenditure. The current program at the granted Sulcis Project in Italy includes the compilation of historical data in the lead up to determining future exploration programs. Expenditure of placement proceeds will also include provisions for general working capital expenditure in addition to assessment of further potential application areas for coal bed and coal mine methane projects.

Voting Exclusion Statement

The Company will, in accordance with Listing Rule 7.5.6, disregard any votes cast on resolution 3 by the allottees or their associates. However, the Company need not disregard a vote if:

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

(b) it is cast by 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.

4. Resolution 4 – Approval of Further Placement

The operation of ASX Listing Rule 7.1 restricted the Company from issuing shares beyond those referred to in proposed Resolution 3 without the prior approval of members in general meeting.

ASX Listing Rule 7.1.5 allows the Company to enter into an agreement to allot shares beyond the 15% limit if it is conditional upon members approving the allotment.

In accordance with the disclosure requirements of ASX Listing Rule 7.3 the following information is provided to members to allow them to assess the proposed issue of shares pursuant to the Further Placement:

(a) The number of shares to be issued – 8,000,000 ordinary fully paid shares;

(b) The issue of shares will occur within a maximum period of three months after the date of the meeting, or such later date approved by ASX;

(c) The issue price of the shares – $0.075 per share;

(d) The party to whom shares will be issued – Each of the Placees in the October 2004 Placement and in proportion to the number of shares subscribed for the October 2004 Placement.

(e) The Placees are all unrelated parties;

(f) The shares will rank equally with all existing ordinary full paid shares;

(g) The use of the funds raised – As described in item 3(f).

Voting Exclusion Statement

The Company will, in accordance with Listing Rule 7.3.8, disregard any votes cast on resolution 4 by the Placees or their associates and any other 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 by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

(b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

5. Notes

(a) For the purposes of Regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding ordinary shares at the close of business on 24 November 2004 will be entitled to attend and vote at the Annual General Meeting and may appoint a proxy to attend this Meeting and vote in that member's stead.

(b) Proxy forms must reach the Registered Office of the Company at least 48 hours prior to the meeting (10:30am on 24 November 2004).

(c) A proxy need not be a member of the Company.

(d) The original proxy form sent with this Notice should be used for this Meeting.

(e) Each Shareholder who is entitled to cast 2 or more votes at this Meeting may appoint 2 persons to act as proxies and may specify the proportion or number of votes that each proxy is entitled to exercise. If a Shareholder **does not** specify the proportion or number of that Shareholder's votes each proxy may exercise, then each proxy will be entitled to exercise half of the votes. An additional proxy form will be supplied by the Company on request.

(f) In the case of an individual, a proxy must be under the hand of the individual or his or her attorney duly authorised in writing and, in the case of a corporation, a proxy must be executed by the corporation under common seal, pursuant to S.127 of the Corporations Act or under the hand of its duly authorised director/s, officer/s or attorney.

(g) Any member may by power of attorney appoint an attorney to act on his or her behalf and such power of attorney or certified copy thereof must be received by the Company as specified in paragraph (i).

(h) Any corporation which is a member of the Company may appoint a representative to attend and vote for that corporation at the Meeting. Appointments of representatives by corporations must be received by the Company as specified in paragraph (i) at any time before the time for holding this Meeting or adjourned meeting.

(i) Proxies and powers of attorneys granted by Shareholders must be received by the Company by 10:30am on Wednesday, 24 November 2004

    (i) At the registered office of the Company – Suite 12b, 573 Canning Highway, Alfred Cove, WA 6154; or

    (ii) By facsimile at the registered office of the Company – facsimile number (08) 9330 8896

6. Definitions

For the purposes of this Explanatory Memorandum and the Notice of General Meeting, the following definitions apply unless the context requires otherwise.

October 2004 Placement means the placement of 16,000,000 Shares at an issue price per Share of 7.5 cents each announced to ASX on 15 October 2004.

ASIC means the Australian Securities and Investments Commission.

ASX means the Australian Stock Exchange Limited.

Board means the board of Directors of the Company

Business Day has the meaning ascribed to it in the Listing Rules.

Company means Kimberley Oil NL (ACN 075 760 655).

Corporations Act means Corporations Act 2001 (Cth).

Company Shareholders means the shareholders of the Company.

Director means a director of the Company

General Meeting means the general meeting notified to the Company Shareholders by the Notice.

Further Placement means the placement of 8,000,000 ordinary fully paid shares in the Company pursuant to subscription agreements between the Company and the Placees entered into on or about 15 October 2004.

Letter Agreements means the letter agreements between the Company and Otto Oil Pty Ltd dated 5 and 7 December 2000 and 3 December 2001.

Listing Rules means the Listing Rules from time to time of the ASX.

Notice means this notice incorporating this Explanatory Memorandum.

Otto Agreement means the agreement between the Company, the Otto Vendors and others to purchase 100% of the issued capital of Otto Oil Pty Ltd dated 18 March 2004

Otto Oil and Otto means Otto Oil Pty Ltd (ACN 079 089 679)

Otto Oil Vendors means collectively Bearoak Pty Ltd (ACN 074 457 284), Norwhale Pty Ltd (ACN 074 457 327) and Oddbod Pty Ltd (ACN 074 457 328)

Placee means those parties that entered into subscription agreements to participate in the October 2004 Placement and the Further Placement.

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

Kimberley Oil NL
ACN 075 760 655

APPOINTMENT OF PROXY – ANNUAL GENERAL MEETING

To assist you in exercising your right to vote your shares at the forthcoming Annual General Meeting of the Company, you may wish to appoint a person who is attending as your proxy.

TO APPOINT A PROXY, FOLLOW THE STEPS BELOW

Name of Shareholder

....

Address

....

....

Insert here the name and address of shareholder.

APPOINTS

Name ....

Address ....

....

OR THE CHAIRPERSON OF THE MEETING ☐

or failing the person named above, or if no person is named, the Chairperson of the meeting, to vote in accordance with the directions on the reverse side of this form, or if no direction has been given, as he or she sees fit, at the Annual General Meeting of the Company to be held at 10:30am on Friday, 26 November 2004 and at any adjournment thereof.

Insert here the name and address of the person you wish to appoint as proxy, shareholders cannot appoint themselves

OR

Tick box if you wish to appoint the Chairperson of the Meeting to act as your proxy

If you plan to attend the Meeting your proxy's right to speak and vote for you will be suspended while you are present.

SIGNATURE OF SHAREHOLDER(S)

× ....

(*) Individual shareholder
(*) Director
(*) Sole Director and Sole Secretary

× ....

(*) Director/Secretary

IF A CORPORATION AFFIX COMMON SEAL (OPTIONAL)

Dated this day of 2004

(*) Delete if not applicable

SHAREHOLDER MUST SIGN HERE AND DATE HERE

This proxy must be signed by the shareholder or by the shareholder's attorney, or if a corporation, either under its common seal or by its authorised officers, or attorney who has not received any notice of revocation.

If this proxy is signed by a person who is not the registered shareholder, then the relevant authority must either have been exhibited previously with the Company or be enclosed with this proxy.

FOR YOUR VOTE TO BE COUNTED, THIS FORM MUST BE RECEIVED NO LATER THAN THE TIME SHOWN ON THE REVERSE SIDE

YOUR VOTE IS IMPORTANT

COMPLETE THE REVERSE SIDE IF YOU WISH TO DIRECT YOUR PROXY HOW TO VOTE

Kimberley Oil NL
ACN 075 760 655

Directing your Proxy how to vote

Resolutions

Resolutions	For	Against	Abstain	Chair*
1. Election of Director – Anthony McClure.	☐	☐	☐	☐
2. Issue of shares to the Otto Oil Vendors	☐	☐	☐	☐
3. Ratification of October 2004 Placement	☐	☐	☐	☐
4. Approval of Further Placement	☐	☐	☐	☐

(OPTIONAL)

IF YOU WISH TO DIRECT YOUR PROXY HOW TO VOTE ON ANY ITEM, PLACE A MARK IN THE APPROPRIATE BOX.

IF YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE , PLACE A MARK IN THE BOX HEADED CHAIR*

* By marking the box headed "Chair", you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 persons (whether Shareholders or not) to attend the Meeting and vote. If you appoint a second proxy, state here the proportion or number of votes given to the proxy appointed on this form:

____

An additional proxy form will be supplied on request

(OPTIONAL)

APPOINTMENT OF A SECOND PROXY

Proxy Notes:

1. A member entitled to attend and cast 2 or more votes at the meeting is entitled to appoint 2 proxies. If a member does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes.
2. A proxy need not be a member of the Company.
3. **Unless a member specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit or abstains from voting.**
4. In the case of an individual, a proxy must be under the hand of the individual or his or her attorney duly authorised in writing and, in the case of a corporation, a proxy must be under the common seal of that corporation, pursuant to S.127 of the Corporations Act or under the hand of its duly authorised officer/s or attorney.
5. To be valid, the form appointing the proxy and the power of attorney granted by members or other authority (if any) must be lodged at the registered office of the Company as set out below.
6. The Chairman intends to vote for all resolutions in the Notice.

Your completed proxy must be received by 10:30am on 24 November 2004:

(a) The registered office of the Company – 12B, 573 Canning Highway, Alfred Cove, Western Australia; or

(b) By facsimile at the registered office of the Company – fax number (08) 9330 8896.

Deadline for receipt of Proxy forms

Kimberley Oil NL
ACN 075 760 655

APPOINTMENT OF CORPORATE REPRESENTATIVE
Pursuant to Section 250D of the Corporations Act

.... **(ACN/ARBN)** ....

(Insert name of Shareholder/Body Corporate & ACN/ARBN)

Hereby Authorises

....

(Insert name of appointee)

(*) 1. To act as the Company's representative at all meetings of:
KIMBERLEY OIL NL (ACN 075 760 655)

(*)2. To act as the Company's Representative at the Annual General Meeting to be held at 10:30am on 26 November 2004 and any adjournment thereof.

Dated this .... day of 2004

Executed by the corporation in accordance
with its Constitution
in the presence of:

____
(*) Director

____
(*) Sole Director & Sole Secretary

____
Director/Secretary **Affix Common Seal here (optional)**

(*) Delete if not applicable

This authority may be sent to the registered office or share registry office of the Company in advance of the meeting as set out in the Notice of Meeting which this appointment accompanies or handed in at the Meeting when registering as a company representative. In either case, the authority will be retained by the Company.