



Riedel Resources Limited
ACN 143 042 022

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

**Annual General Meeting to be held at Citigate Perth, 707 Wellington Street, Perth on
30 November 2011 commencing at 8.30am (WST).**

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

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Riedel Resources Limited (ACN 143 042 022) ("Company") will be held at Citigate Perth, 707 Wellington Street, Perth on 30 November 2011 commencing at 8.30am (WST).

ORDINARY BUSINESS

1. Financial Statements and Reports

To receive and consider the annual financial report, together with the Director's and auditor's reports for the year ending 30 June 2011.

2. Resolution 1 – Approval of Remuneration Report

To consider and, if thought fit, pass the following **advisory only resolution**:

"That, for all purposes, Shareholders approve the Remuneration Report for the year ending 30 June 2011."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion

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.

3. Resolution 2 – Re-election of Mr Ian Tchacos as a Director

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

"That, for all purposes, Mr Ian Tchacos, who retires by rotation in accordance with clause 13.2 of the Constitution and, being eligible, offers himself for re-election, is re-elected as a Director."

4. Resolution 3 – Re-election of Mr Wolfgang Zimmer as a Director

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

"That, for all purposes, Mr Wolfgang Zimmer, who retires by rotation in accordance with clause 13.2 of the Constitution and, being eligible, offers himself for re-election, is re-elected as a Director."

5. Resolution 4 – Ratification of Prior Issue of Options to Mr Edward Turner

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

“That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 1,500,000 unlisted Options with an exercise price of \$0.30 and an expiry date of 30 June 2014 to Mr Edward Turner in the manner and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion

For the purposes of Listing Rule 7.5.6, the Company will disregard any votes cast on Resolution 4 by Mr Turner or his nominee and any associates of Mr Turner or his nominee. However, the Company need not disregard a vote if the vote 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 the vote 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.

Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice of Annual General Meeting and should be read in conjunction with it.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in this Notice of Annual General Meeting and the Explanatory Statement.

Proxies

Please note that:

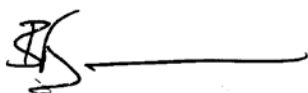
- (a) a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

Voting Entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of Shareholders as at 4.00pm (WST) on 28 November 2011. Accordingly, transactions registered after that time will be disregarded in determining Shareholder's entitlement to attend and vote at the Annual General Meeting.

By Order of the Board of Directors



Bruce Franzen
Executive Director
Riedel Resources Limited

7 October 2011

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolution in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

1. Resolution 1

Approval of Remuneration Report

Section 249L(2) of the Corporations Act requires a company to inform shareholders that a resolution on the Remuneration Report will be put at the Annual General Meeting. Section 250R(2) of the Corporations Act requires a resolution that the Remuneration Report be adopted must be put to the vote. Resolution 1 seeks this approval.

In accordance with section 250R(3) of the Corporations Act, Shareholders should note that resolution 1 is an "advisory only" resolution which does not bind the Directors of the Company.

Following consideration of the Remuneration Report, the Chairman, in accordance with section 250SA of the Corporations Act, must give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

From 1 July 2011, the Corporations Act has been amended so that if the resolution to approve the Remuneration Report receives "no" votes of 25% or more at two successive annual general meetings of the Company, the Shareholders will be required to vote at the second of those annual general meetings on a resolution ("spill resolution") that another general meeting be held within 90 days at which all of the Directors (except the Managing Director) must stand for re-election.

The recent amendments to the Corporations Act have also included new restrictions on the Chairperson, Key Management Personnel and any Closely Related Parties of them from voting on a Remuneration Report.

If you elect to appoint the Chairperson, any Key Management Person or any Closely Related Party as your proxy to vote on this Resolution 1, ***you must direct that proxy how they are to vote***. If you do not direct the Chairperson, Key Management Person or Closely Related Party how to vote as your proxy on this Resolution 1, they will be prohibited from exercising your vote and your vote will not be counted in relation to this Resolution.

2. Resolution 2

Re-election of Mr Ian Tchacos as a Director

In accordance with Listing Rule 14.4 and clause 13.2 of the Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office by rotation and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

In determining the number and identity of the Directors to retire by rotation, the Managing Director and any Director seeking election after appointment by the Board to fill a casual vacancy are not taken into account.

Mr Ian Tchacos retires by rotation at this meeting and, being eligible, offers himself for re-election.

Details of Mr Ian Tchacos are as follows:

Mr Tchacos is a mechanical engineer with over 25 years' international experience in corporate development and strategy, mergers and acquisitions, exploration, development and production operations, marketing and finance. He has a proven management track record in a range of international company environments. In his last appointment as Managing Director of Nexus Energy, he was responsible for the company's development from an onshore micro cap exploration to an ASX top 200 offshore producer and operator. Mr Tchacos is currently non-executive Chairman of ADX Energy Limited, and non-executive Director of Australian Oil Company Limited.

3. Resolution 3

Re-election of Mr Wolfgang Zimmer as a Director

In accordance with Listing Rule 14.4 and clause 13.2 of the Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office by rotation and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

In determining the number and identity of the Directors to retire by rotation, the Managing Director and any Director seeking election after appointment by the Board to fill a casual vacancy are not taken into account.

Mr Wolfgang Zimmer retires by rotation at this meeting and, being eligible, offers himself for re-election.

Details of Mr Wolfgang Zimmer are as follows:

Mr Zimmer has over 30 years' experience in the oil and gas industry. He received his PhD from the University of Vienna in Geology and Petrology. His career began with Mobil Oil in Vienna, where he worked for 11 years primarily

in Europe and the USA in oil and gas exploration and production. In 1991, he joined OMV, the Austrian oil company, and fulfilled a variety of senior management roles for the next 15 years. He established OMV's exploration and production business in Australia and New Zealand and was its Managing Director for five years. Mr Zimmer has significant experience in North Africa, having been the director of OMV's onshore and offshore production operations in Tunisia. In 2006, he joined Grove Energy, a Canadian and UKI listed oil and gas explorer. As CEO, he successfully merged Grove with another exploration company in 2007. Mr Zimmer is currently Managing Director of ADX Energy Limited.

4. Resolution 4

Ratification of Prior Issue of Options to Mr Edward Turner

Resolution 4 seeks Shareholder ratification of the prior issue to Mr Edward Turner on 12 July 2011 of 1,500,000 unlisted Options with an exercise price of \$0.30 and an expiry date of 30 June 2014. However, the Options will lapse if not exercised within 60 days of Mr Turner ceasing employment with the Company. The Options are an equity incentive under Mr Turner's employment agreement with the Company dated 8 June 2011 appointing Mr Turner as the Exploration Manager of the Company.

Listing Rule 7.1 provides that (subject to certain exceptions, none of which are relevant here) prior approval of shareholders is required for an issue of securities by a company if the securities will, when aggregated with the securities issued by the company during the previous 12 months, exceed 15% of the number of the Shares on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides that where a company ratifies a prior issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing the company's 15% capacity and enabling it to issue further securities up to that limit.

Resolution 4 proposes the ratification of the allotment and issue of 1,500,000 unlisted Options for the purpose of satisfying the requirements of Listing Rule 7.4. If Resolution 4 is approved, the Options will not be included in the Company's 15% calculation for the purposes of Listing Rule 7.1.

The Options have been valued by reference to the Black and Scholes options pricing model, based on the following assumptions:

Assumption	Input
Share Price at 12 July 2011	\$0.115
Exercise Price	\$0.30
Issue Date	12 July 2011
Expiration Date	30 June 2014

Life of the Options	2.97 years
Volatility	75%
Risk Free Rate	4.42%
Number of Options	1,500,000
Valuation per Option	\$0.032
Total Value	\$48,000

Based on the above assumptions it is considered that the total value of the 1,500,000 Options is \$48,000.

The information required to be provided to shareholders to satisfy Listing Rule 7.4 is specified in Listing Rule 7.5. In compliance with the information requirements of Listing Rule 7.5, Shareholders are advised of the following particulars in relation to the allotment and issue pursuant to Resolution 4:

(a) **Date of allotment and issue of securities**

12 July 2011.

(b) **Number of securities allotted and issued**

1,500,000 unlisted Options.

(c) **Price at which securities were allotted and issued**

The Options were issued for nil cash consideration pursuant to the terms of Mr Turner's employment agreement.

(d) **The terms of the securities**

The Options were issued on the following terms:

- (i) The Options will lapse if not exercised on or before 30 June 2014 ("Expiry Date").
- (ii) The Options will lapse if not exercised within 60 days of Mr Turner ceasing employment with the Company.
- (iii) The exercise price for each Option is \$0.30 ("Exercise Price").
- (iv) Each Option shall entitle Mr Turner to subscribe for and to be allotted one Share upon exercise of the Option and payment to the Company of the Exercise Price.
- (v) An Option may be exercised by Mr Turner at any time prior to the Expiry Date by sending a completed and signed notice of exercise, together with the payment of the Exercise Price for each Option exercised and the statement for the Option, to the Company's Registered Office. The Options may be exercised in whole or in part.

- (vi) A notice of exercise is only effective when the Company has received the full amount of the Exercise Price in cash or cleared funds for each of the Options exercised.
 - (vii) Subject to any restrictions in the Listing Rules, within 14 days of receipt of a properly executed notice of exercise and the required Exercise Price, the number of Shares specified in the notice will be allotted.
 - (viii) Subject to paragraph (xi) below, the period during which the Options may be exercised will not be extended.
 - (ix) If there is a bonus issue of Shares, the number of Shares over which an Option is exercisable may be increased by the number of Shares which Mr Turner would have received if the Option had been exercised before the record date for the bonus issue.
 - (x) There are no participating rights or entitlements inherent in the Options. Mr Turner 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 7 business days after the issue is announced. This will give Mr Turner the opportunity to exercise his Options prior to the date for determining entitlements to participate in any such issue.
 - (xi) In the event of any reconstruction (including consolidation, subdivision, reduction, cancellation or return) of the issued capital of the Company before the expiry of any Options, all rights of the option holder, will be reconstructed (as appropriate) in accordance with the Listing Rules applying to a re-organisation of capital at the time of the re-organisation.
 - (xii) Shares allotted pursuant to the exercise of the Options will rank equally with the then issued Shares of the Company.
 - (xiii) 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.
 - (xiv) Other than as set out above, an Option does not confer the right to a change in Exercise Price, or a change to the number of underlying Shares over which it can be exercised.
- (e) **The basis on which allottees were determined**

The allottee in respect of Resolution 4 is Mr Edward Turner. The Options were issued to Mr Turner pursuant to an employment agreement between the parties appointing Mr Turner as the Exploration Manager of the Company. The objective behind the issue of Options is to provide an incentive to Mr Turner to improve Company performance and align the interests of Mr Turner with those of Shareholders.

Mr Turner is not a related party or associate of the Company.

(f) **The use of (or intended use of) the funds raised**

No funds will be raised from the issue of the Options as the Options were issued to Mr Turner in consideration for services provided to the Company. All funds raised in the event the Options are exercised will be applied to working capital. However, there is no guarantee that any of the Options will be exercised at any future time.

Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

Annexure	the annexure to this Explanatory Statement.
ASX	ASX Limited (ACN 008 624 691) trading as the Australian Securities Exchange.
Board	the board of Directors.
Chairman	Mr Ian Tchacos.
Closely Related Party	means a closely related party of a member of Key Management Personnel as defined in Section 9 of the Corporations Act, being: (a) a spouse or child of the member; (b) a child of that member's spouse; (c) a dependant of that member or of that member's spouse; (d) anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company; (e) a company that is controlled by that member; or (f) any other person prescribed by the regulations.
Constitution	the constitution of the Company.
Company	Riedel Resources Limited ACN 143 042 022.
Corporations Act	Corporations Act 2001 (Cth).
Director	a director of the Company.
Explanatory Statement	the explanatory statement accompanying the Notice of Annual General Meeting.
Key Management Personnel	means the key management personnel of the Company as defined in Section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, being those persons having authority and responsibility for planning, directing and

	controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rules	the listing rules of ASX.
Notice of Annual General Meeting	the notice of annual general meeting accompanying the Explanatory Statement.
Options	an option to acquire a Share.
Remuneration Report	the section of the Director's report entitled "remuneration report".
Share	a fully paid ordinary share in the capital of the Company.
Shareholder	a holder of Shares.
WST	Western Standard Time in Australia.



Riedel Resources Limited
ACN 143 042 022

PROXY FORM

Shareholder Details

Name:

Address:

Contact Telephone No:

Contact Name (if different from above):

STEP 1 – Appointment of Proxy

I/We being a shareholder/s of Riedel Resources Limited and entitled to attend and vote hereby appoint the following proxy/proxies to attend and act on my/our behalf and to vote in accordance with my/our following directions at the Annual General Meeting of Riedel Resources Limited to be held at Citigate Perth, 707 Wellington Street, Perth on 30 November 2011 at 8.30am (WST) and at any adjournment of that meeting.

☐

The Chairman
of the meeting

(mark with an 'X')

OR

IMPORTANT:

In respect of Resolutions 2, 3, or 4, if the Chairman of the meeting is your proxy, or if appointed your proxy by default and you do **not** wish to direct him/her how to vote on any of these Resolutions, you must mark this box with an "X". By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy on those Resolutions (for which you have not given a direction) even if he/she has an interest in the outcome of the Resolutions and that votes cast by him/her, other than as proxy holder, will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote on any of these Resolutions, the Chairman of the meeting will not cast your votes on the Resolutions (for which you have not given a direction) on a show of hands or on a poll. The Chairman of the meeting intends to vote undirected proxies in favour of each Resolution.

The Chairman, any Key Management Person or a Closely Related Party is not permitted to vote undirected proxies on Resolution 1. Accordingly, if the Chairman, any Key Management Person or a Closely Related Party is your proxy (by appointment or default) and you fail to provide a voting direction in respect of Resolution 1 in step 2 (below), your vote will not be cast.

If the person you are appointing as your proxy is someone other than the Chairman of the meeting:

Write the name of that person in the box below.

 %

You must specify the % of your votes that you authorize your proxy to exercise if:

If you hold 2 or more Shares in #full company name#, you may appoint a second proxy:

Write the name of your second proxy in the box below.

 %

- (a) you have only appointed 1 proxy and do not want him/her to exercise all of your votes; or
- (b) if you have appointed 2 proxies under this proxy form.

If you do not name a proxy or your named proxy fails to attend the meeting, the Chairman of the meeting will be appointed as your proxy to attend and act on your behalf and to vote in accordance with the following directions at the Annual General Meeting of Riedel Resources Limited to be held at Citigate Perth, 707 Wellington Street, Perth on 30 November 2011 at 8.30am (WST) and at any adjournment of that meeting.

STEP 2 – Voting directions to your proxy – Please mark only one of the boxes with an "X" for each Resolution to indicate your directions.

Ordinary Business

		For	Against	Abstain
Resolution 1.	Approval of Remuneration Report	☐	☐	☐
Resolution 2.	Re-election of Mr Ian Tchacos as a Director	☐	☐	☐
Resolution 3.	Re-election of Mr Wolfgang Zimmer as a Director	☐	☐	☐
Resolution 4.	Ratification of Prior Issue of Options to Mr Edward Turner	☐	☐	☐

Note: If you mark the "Abstain" box with an "x" for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll.

STEP 3 – PLEASE SIGN HERE

directions to be implemented

This section *must* be signed in accordance with the instructions overleaf to enable your

Individual or Shareholder 1

Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

How to complete this Proxy Form

1 Your Name and Address

Please print your name and address as it appears on your holding statement and the Company's share register. If Shares are jointly held, please ensure the name and address of each joint shareholder is indicated. Shareholders should advise the Company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. **Please note you cannot change ownership of your securities using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company.

3 Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

Please note the Chairman, a member of Key Management Personnel or a Closely Related Party is not permitted to vote undirected proxies on your behalf in relation to Resolution 1. Therefore, if the Chairman, a member of Key Management Personnel or a Closely Related Party is your proxy (by appointment or default) and you wish to vote on Resolution 1, you **MUST** provide a voting direction by marking the applicable box beside Resolution 1 in step 2 of the Proxy Form.

4 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, please write the name of that person.

To appoint a second proxy you must state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If the Proxy Form does not specify a percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the shareholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the company's share registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission.

6 Lodgment of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting ie. no later than 5pm (WST) on 25 November 2011. Any Proxy Form received after that time will not be valid for the scheduled meeting.

This Proxy Form (and any Power of Attorney and/or second Proxy Form) may be sent or delivered to the Company's registered office at PO Box 1559, West Perth, Western Australia 6872 or sent by facsimile to the registered office on +61 8 9486 7375.