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ASX Announcement

21 May 2007

Results of Annual General Meeting held on 21 May 2007

The Board of Advance Energy Limited is happy to announce the results of its Annual General Meeting held today 21st May 2007 at the Company's offices at 16 Ord Street West Perth. All resolutions were passed by an overwhelming majority. Advance Energy's Managing Director, Anthony Short also presented a summary of the Company's activities together with projections of work to be carried out over the next twelve (12) months. This presentation was also backed up by the presence of Advance Energy's North American partners represented by Embry Canterbury and the substance of the presentation is enclosed as part of this announcement.

The Company's directors will proceed to make the same presentation to shareholders and institutions in Melbourne and Sydney throughout the week of the 21st May 2007 and all presentations will be backed up by further involvement by North American partners.

The Company presentations are also part of the capital raising process that was carried out initially in Paris and London recently and Advance Energy will continue to raise further funds by way of convertible notes.

The following information is provided regarding the results of the Annual General Meeting in accordance with listing rule 3.13.2 and section 251AA of the Corporations Act.

Item 1 – Adoption of Remuneration Report

The ordinary resolution was passed by a show of hands.
Instructions in respect of the proxies were:

FOR	AGAINST	OPEN	ABSTAIN
5,535,515	Nil	9,844,713	14,680,003

Item 2 – Re-election of Mr Gordon Sklenka as a Director

The ordinary resolution was passed by a show of hands.
Instructions in respect of the proxies were:

FOR	AGAINST	OPEN	ABSTAIN
5,545,515	Nil	21,514,716	3,000,000

Item 3 – Approval of Placement Facility

The ordinary resolution was passed by a show of hands.
Instructions in respect of the proxies were:

FOR	AGAINST	OPEN	ABSTAIN
5,535,515	10,000	24,514,716	Nil

Item 4 – Approval of Convertible Note Issue

The ordinary resolution was passed by a show of hands.
Instructions in respect of the proxies were:

FOR	AGAINST	OPEN	ABSTAIN
5,535,515	10,000	24,514,716	Nil

Item 5 – Ratification of Prior Options Issues

The ordinary resolution was passed by a show of hands.
Instructions in respect of the proxies were:

FOR	AGAINST	OPEN	ABSTAIN
1,192,875	10,000	20,242,075	8,615,281

For further information contact:

Mr Lance Camacho
Company Secretary
Telephone: 08 9486 1122
Facsimile: 08 9486 1011

Advance Energy Limited is focused on the acquisition and development of oil and gas producing assets in Texas USA. The company aims to acquire assets with a combination of debt and equity that have current production and cash flow and to enhance production and cash flow through the further development of these assets. Once a property has reached its full productive potential and/or has achieved economic payout to Advance Energy, the Company would look to on sell all or part of its interest. It is the aim of the Company to develop a portfolio of assets which will be developed and traded to maximize returns on funds invested.

Advance Energy Limited (AVD)

Investor Presentation

May 2007



Directors and Management



Directors

- **Alex Bajada - Chairman**

A former stockbroker with many years experience in the corporate sector and management of public companies. Former Chairman and current independent director of WALGSP Super Fund with over AU\$1billion in assets. Currently Managing Director of Excalibur Mining Corporation Pty Ltd.

- **Anthony Short - Managing Director**

Over sixteen years experience in administration and management of listed companies and experienced in the oil and gas industry.

- **Gordon Sklenka – Non-Executive Director**

Currently on the board of 6 public companies background in corporate advisory in Australia , Canada and the UK

- **Lance Camacho – Company Secretary**

North American Energy, Inc (“NAE”)

NAE act as adviser to AVD in the USA. NAE is engaged in exploration, production and acquisition of oil and natural gas prospects.

- **David Eller – CEO**

Petroleum Engineer

- **Kenneth Loep – President**

Geologist

- **Embry Canterbury – COO**

Operations Manager of NAE and director of operations, including financing of exploration and production in the Permian Basin. Embry holds a BS degree in petroleum engineering from Texas A&M university .

Capital Structure



a) Capital Structure, market cap

Fully paid ordinary shares 68.2 M

Market Cap @ A\$0.60 A\$41 Mill

Options 18 Mill

Convertible Pref Shares 9 mill

Capital Structure



Shares and Options held by Management:

Ordinary shares 14,670,001 = 22%

Options 8,000,000

CPS 5

Top 20 Shareholders = 52.23%

Total shareholders = 652

Acquisition Funding

- US\$20m facility with Sterling Bank
drawn down USD 6.0 million
- Mezzanine financing

- Convertible notes
Drawn down USD 3 million
- Equity

Southern Producer Services

**AGM Presentation –
Carl M. Carter III
May 2007**

Why Advance Energy ?



- Management team
- Unique partnership structure
- success fee driven / low fixed overhead
- Focused yet diverse portfolio
- Aggressive growth strategy

Capital Market Relationships

The logo for "advance energy" features the word "advance" in a smaller font above "energy" in a larger font, with a stylized flame or spark icon to the right.

- **Sterling Bank (Senior Revolving Line of Credit)**
- **NGP Capital Resources Company (Mezzanine and Equity)**
- **TCW Energy Group (Mezzanine and Equity)**
- **Blue Rock Energy Capital (Production Payments)**

Navigating the Capital Markets



- **The U.S. Energy Capital Market is very liquid and competitive**
- **Knowledge of various investment criteria is critical to a successful capital raise**
- **There are few 'one stop shops'**
- **Experience, or a lack thereof, drives pricing and covenants**
- **The underwriting process 'learning curve'...**

Due Diligence and Private Auctions



SPS, North American and Advance are prepared to run a highly competitive and effective private auction for energy capital. ‘Spoon Feeding’ due diligence items reduces creative thinking.

- **Company, Property and Deal Description - “The Story”**
- **3rd party engineering/economic evaluation of assets – W.D. Von Gonten**
- **Use of proceeds**
- **Production history, decline curves, state reports**
- **Purchase statements, prior 12 months**
- **Lease Operating Expense history**
- **Title Opinions**
- **Environmental Assessment and Overview**
- **Company financial statements**
- **References and Resumes**

Exit Strategy and the U.S. A&D Market

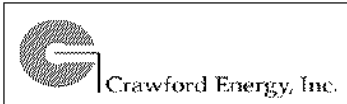


- Advance's business model includes the effective disposition of assets
- US Market is mature with significant transaction volume (2006 avg. 80 reported transactions over \$10MM per quarter)
- Size of the transaction drives the sales platform: auction, negotiated sale, small/mid/large investment bank (2 year quarterly avg. \$7 billion)
- Maturity of U.S. A&D market: 45 of 71 global transactions in Q4 2006 were in the U.S. and Canada
- A market exists for all sizes of deal flow

SPS Deal Flow



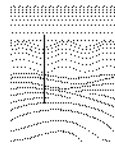
January 2005



Crawford Energy, Inc.
\$20,000,000
Senior Secured Credit Facility
Use: Asset Monetization

Financial Advisor

May 2005



TierraMar Energy, LLC
\$20,000,000
Senior Secured Credit Facility
Use: Development Drilling

Financial Advisor

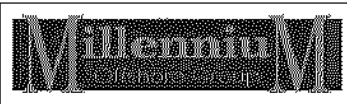
June 2005

Arrowhead Energy
Exploration, L.L.C.

\$1,500,000
Financial Production Payment
Use: Monetization/Development

Financial Advisor

August 2005



Millennium Offshore Group, Inc.
\$25,000,000
Senior Secured Bridge Facility
Use: Term Bridge Loan

Financial Advisor

August 2006

Superior Energy, L.L.C.

\$28,000,000
Equity Financing
Use: Acquisition

Financial Advisor

December 2006

TierraMar Energy, LP

\$10,020,000
Senior Secured Credit Facility
Use: Debt Restructuring

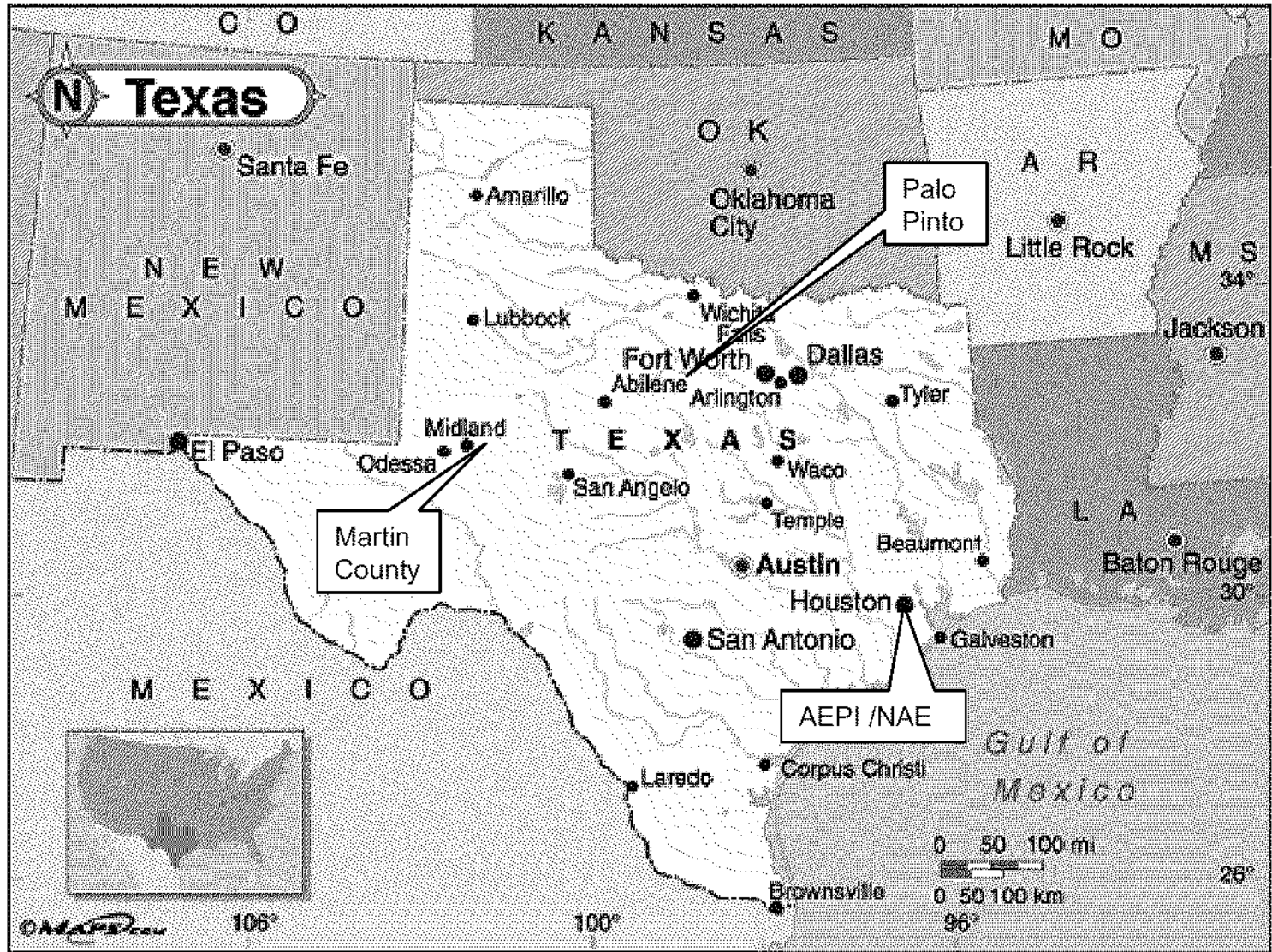
Financial Advisor

April 2007

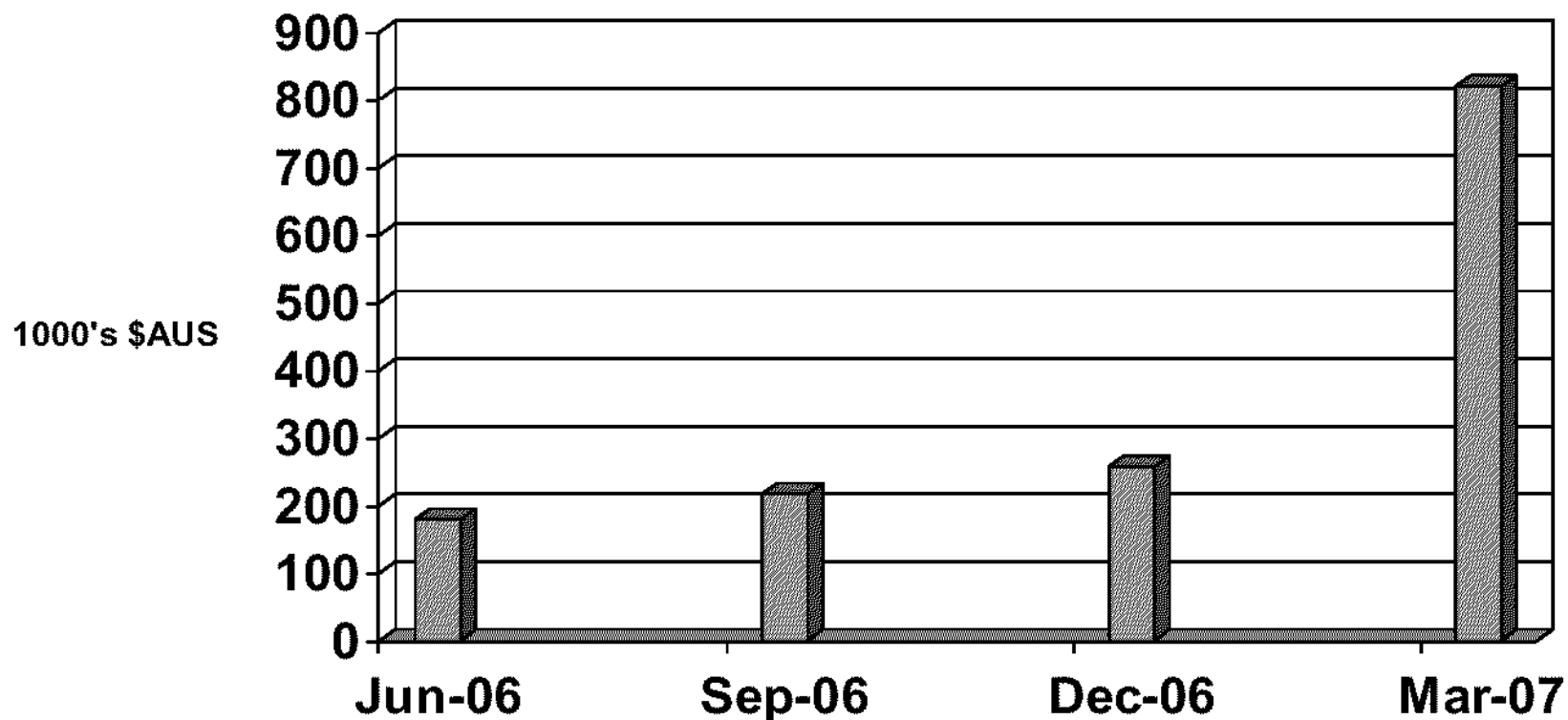
TierraMar Energy, LP

\$21,320,000
Equity Financing
Use: Acquisition/Development

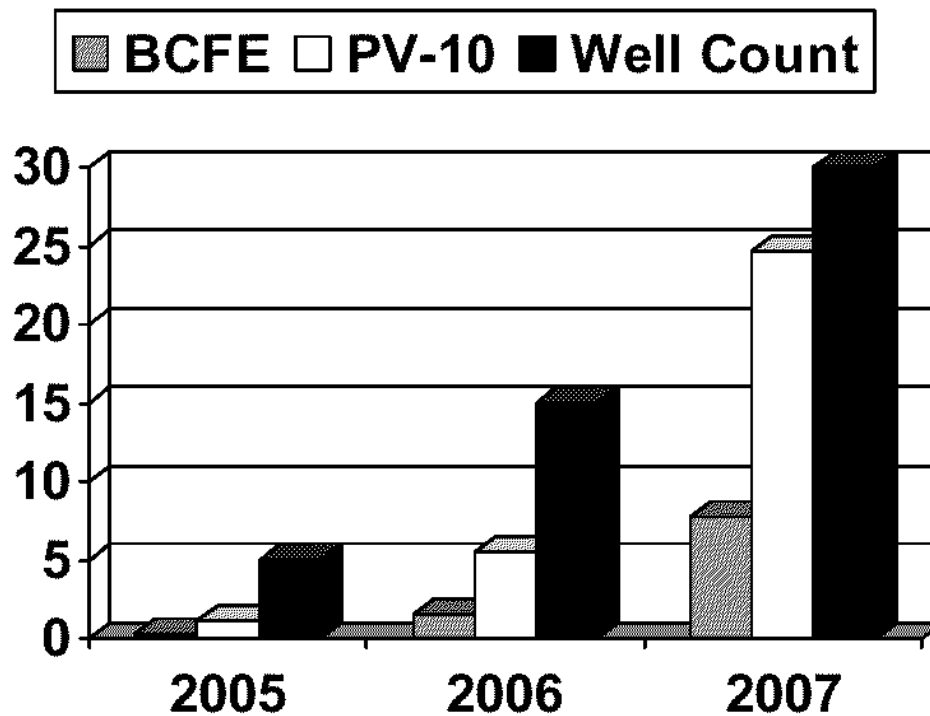
Financial Advisor



Cash Receipts by Recent Quarters



Proved Reserves



(As of May 1, 2007)
PV-10 in \$AUS Million)

PK 1

- Current production gross 1,600 Mcfe
- Current LOE per well \$1,250 per month
- 9 producing wells
- Total proven reserves exceed 4.7 net bcfe
- 90% working interest acquired
- Purchase price of approx US\$ 9.7million expected to payback between 36 and 42 months at \$6 gas price

PK 1 Work program

- Minimum of four proved developed non-production (PDNP) candidates expected to increase daily production by 800 Mcfepd
- Two stimulation and one mechanical (PDP enhancement) candidates. Once completed expected to increase production by another 500 Mcfepd
- Three proved undeveloped (PUD) locations anticipated 1,050 Mcfepd drilling imminent
- 1,015 acres Barnett Shale 3 wells at 2 bcf each

Economies of scale

Reserve Position



Current Proved reserves	7.7 bcfe
Current undeveloped	8.4 bcfe
Current asset value proven PV 10	USD 19 million

Company Summary

- Shares on issue 68.2 million
- Market Capitalization@ 60 A\$41
- Cash flow Dec 2006 USD 0.65 mill
- Cash flow Dec 2007 USD 7.4 mill
 - Operating surplus USD 6.0 mill
- Cash Flow Dec 2008 USD 18 mill
 - Operating surplus USD 16 mill

* Based on current company assets fully developed