
ADVANCE ENERGY LIMITED

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of the Company will be held at Advance Energy Limited, Suite 2, 16 Ord Street, West Perth WA 6005 on Monday, 31 May 2010 at 10:00 am (WST).

The Explanatory Memorandum to this Notice of Annual General Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form comprise part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 5.00 pm on 29 May 2010 (WST).

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

This Notice 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 adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 (08) 9486 1122.

AGENDA

Financial Report

To receive the financial report of the Company and its controlled entities for the year ended 31 December 2009 together with a Directors' report in relation to that financial year and the Auditor's report on the financial report.

1. Resolution 1 – Adoption of Remuneration Report

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

"That the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."

2. Resolution 2 – Election of Mr Paul Berresford as a Director

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

"That, in accordance with article 6.2 of the Constitution, Mr Paul Berresford, having consented to act, be appointed as a Director."

3. Resolution 3 – Re-election of Mr Kip Plankinton as a Director

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

"That Mr Kip Plankinton, who retires in accordance with article 6.3 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

By Order of the Board

David Ballantyne
Company Secretary
29 April 2010

The 2009 Annual Report is available from the following link: <http://www.advanceenergyltd.com.au/Investor/ASX-Announcements>

ADVANCE ENERGY LIMITED

ACN 111 823 762

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at Advance Energy Limited, Suite 2, 16 Ord Street, West Perth WA, on Monday, 31 May 2010 at 10:00 AM (WST).

The purpose of this Explanatory Memorandum is to provide information the Board of Directors believes is material to Shareholders in relation to the Resolutions set out in the Notice.

2. Resolution 1 – Adoption of Remuneration Report

Pursuant to section 250R(2) of the Corporations Act, the Company is required to put the Remuneration Report to the vote of Shareholders. The Annual Report for the year ended 31 December 2009 contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

The provisions of the Corporations Act provide that Resolution 1 need only be an advisory vote of Shareholders. Accordingly, Resolution 1 is advisory only and does not bind the Directors. Of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report. However, the Board will take the outcome of the vote into consideration when considering the remuneration policy.

The chairman of the Meeting will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

3. Resolution 2 – Election of Director

Under the Constitution, the Directors may appoint any person as a Director. This ordinary resolution seeks shareholder approval for the appointment of Mr Paul Berresford who was appointed as a Director on 14 September 2009.

A brief CV of Mr Berresford is included in the Annual Report.

4. Resolution 3 – Re-election of Director

The Constitution requires that one third of the Directors must retire at each annual general meeting and provides that a Director who retires is eligible for re-election.

Pursuant to the Constitution, Mr Kip Plankinton will retire by rotation and seek re-election.

A brief CV of Mr Kip Plankinton is included in the Annual Report.

5. Action to be taken by Shareholders

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, to sign and return the Proxy Form to the Company in accordance with the instructions provided. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Schedule 1 - Definitions

In this Explanatory Memorandum and Notice:

"Annual General Meeting" or "Meeting" means the annual general meeting of the Shareholders of the Company to be held by the Company at Advance Energy Limited, Suite 2, 16 Ord Street, West Perth, Western Australia, on Monday, 31 May 2010 at 10:00AM (WST).

"Annual Report" means the 2009 Annual Report of the Company, a copy of which was lodged with the ASX.

"ASX" means ASX Limited ACN 008 624 691 trading as the Australian Securities Exchange.

"Board" means the board of Directors of the Company.

"Company" or "Advance" means Advance Energy Limited ACN 111 823 762.

"Constitution" means the Constitution of the Company.

"Corporations Act" means the Corporations Act 2001 (Cth).

"Directors" means the directors of the Company.

"Explanatory Memorandum" means this explanatory memorandum.

"Listing Rules" means the official listing rules of ASX.

"Notice" means this Notice of Annual General Meeting.

"Proxy Form" means the proxy form attached to this Notice.

"Remuneration Report" means the remuneration report of the Company contained in the Annual Report.

"Resolution" means a resolution referred to in the Notice.

"Schedule" means a schedule to this Notice.

"Shareholder" means a shareholder of the Company.

"WST" means Western Standard Time.

ADVANCE ENERGY LIMITED

ACN 111 823 762

PROXY FORM

The Company Secretary
Advance Energy Limited

By delivery:

Suite 2, Ground Floor
16 Ord Street
WEST PERTH WA 6005

By post:

P O Box 1779
West Perth
WA 6872

By facsimile:

08 9486 1011

I/We ¹ _____

of _____

being a Shareholder/Shareholders of the Company and entitled to _____

votes in the Company, hereby appoint ² _____

or failing such appointment the chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the General Meeting of the Company to be held at Advance Energy Limited, Suite 2, 16 Ord Street, West Perth, Western Australia 6005 on Monday, 31 May 2010 at 10.00 AM (WST) and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he thinks fit. If 2 proxies are appointed, the proportion or number of votes of this proxy is authorised to exercise is * []% of the Shareholder's votes*/ [] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request).

INSTRUCTIONS AS TO VOTING ON THE RESOLUTION

IMPORTANT:



The chairman of the annual general meeting intends to vote undirected proxies in favour of the Resolutions.

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	☐	☐	☐
Resolution 2	Election of Mr Paul Berresford as a Director	☐	☐	☐
Resolution 3	Re – election of Mr Kip Plankinton as a Director	☐	☐	☐

Authorised signature/s This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹Insert name and address of shareholder

²Insert name and address of proxy

*Omit if not applicable

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a person or a corporation as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a corporation as the Shareholder's proxy to attend and vote for the Shareholder at that meeting, the representative of the corporation to attend the meeting must produce the appropriate Certificate of Appointment of Representation prior to admission. A form of the certificate may be obtained from the Company's share registry.

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

- Joint Holding: where the holding is in more than one name all of the holders must sign.
- Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.
- Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the West Perth office of the Company (16 Ord Street, West Perth, WA, 6005, or Facsimile 08 9486 1011 if faxed from within Australia or +618 08 9486 1011 if faxed from outside Australia) not less than 48 hours prior to the time of commencement of the Meeting (WST).