



26 October 2009

Dear Shareholder

Please find enclosed your Notice of the 2009 Annual General Meeting of Linc Energy Ltd which will be held at the Chelsea Room, Mercure Hotel 85 – 87 North Quay, Brisbane, Queensland, Australia, on Thursday 26<sup>th</sup> November 2009 at 3.00pm (AEST).

The Directors consider that the transactions presented for Shareholder approval are in the best interests of Shareholders. Accordingly, all of the Directors entitled to make a recommendation in respect of a particular resolution recommend that you vote in favour of adopting that resolution.

The Explanatory Memorandum accompanying and forming part of the enclosed Notice of Annual General Meeting contains important information about the resolutions. Please ensure that you have read the Explanatory Memorandum carefully before deciding how to vote on the resolutions.

If you are unable to attend the 2009 Annual General Meeting, you are encouraged to complete the enclosed proxy form. The proxy form should be completed and returned in accordance with the instructions on the form so that it is received by 3:00pm on Tuesday 24<sup>th</sup> November 2009.

I look forward to your attendance at the 2009 Annual General Meeting.

Yours sincerely

A handwritten signature in blue ink, appearing to read "C. Ricato", is positioned above the typed name of the signatory.

Craig Ricato  
Company Secretary  
Linc Energy Ltd



## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS 2009

Notice is hereby given that the 2009 Annual General Meeting of Shareholders of Linc Energy Ltd (**Company**) will be held:

**Date:** Thursday 26<sup>th</sup> November 2009

**Time:** 3:00pm (AEST)

**Venue:** Chelsea Room  
Brisbane Mercure Hotel  
85 – 87 North Quay  
BRISBANE QLD 4000

### ORDINARY BUSINESS

#### 1. Consideration of Reports

To receive the Financial Report, the Directors Report, and the Independent Audit Report of the Company for the financial year ended 30 June 2009.

#### 2. Election of Director - Mr Kenneth Dark

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

*"That Mr Kenneth Dark, who retired by way of rotation in accordance with Rule 16.1 of the Company's Constitution, and being eligible, offers himself for election, is hereby reappointed a Director of the Company."*

#### 3. Approval of Share Issues

##### a. Shares issued to landowners

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

*"That for the purposes of ASX Listing Rule 7.4 and for all other purposes shareholders ratify the allotment and issue of 46,394 fully paid ordinary shares issued to the participants listed in the Explanatory Memorandum on the terms set out in the Explanatory Memorandum."*

#### Voting Exclusion

The Company will disregard any votes cast on this resolution by the landowners to whom the shares were issued (jointly the **Participants**) and any associate of any Participant. 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.



**b. Shares issued for capital raising purposes**

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

*"That for the purposes of ASX Listing Rule 7.4 and for all other purposes shareholders ratify the allotment and issue of 41,000,000 fully paid ordinary shares (**Placement Shares**) via a capital raising share placement to institutional investors and clients of BBY Limited (being investors who fall within one or more of the classes of exemptions specified in Section 708 of the Corporations Act 2001) (**Investors**) on the terms set out in the Explanatory Memorandum."*

**Voting Exclusion**

The Company will disregard any votes cast on this resolution by any Investors who were issued with Placement Shares and any associate of an Investor who was issued with Placement Shares. 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.

**c. Shares issued on conversion of convertible notes**

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

*"That for the purposes of ASX Listing Rule 7.4 and for all other purposes shareholders ratify the allotment and issue of 1,602,564 fully paid ordinary shares (**Placement Shares**) upon the conversion of convertible notes issued to institutional investors (being investors who fall within one or more of the classes of exemptions specified in Section 708 of the Corporations Act 2001) (**Investors**) pursuant to the Convertible Note Deed dated December 2008 on the terms set out in the Explanatory Memorandum."*

**Voting Exclusion**

The Company will disregard any votes cast on this resolution by any Investors who were issued with Placement Shares and any associate of an Investor who was issued with Placement Shares. 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.



#### **d. Shares issued on conversion of convertible notes**

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

*"That for the purposes of ASX Listing Rule 7.4 and for all other purposes shareholders ratify the allotment and issue of 4,625,162 fully paid ordinary shares (**Placement Shares**) upon the conversion of convertible notes issued to institutional investors (being investors who fall within one or more of the classes of exemptions specified in Section 708 of the Corporations Act 2001) (**Investors**) pursuant to the Convertible Note Deed dated December 2008 on the terms set out in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast on this resolution by any Investors who were issued with Placement Shares and any associate of an Investor who was issued with Placement Shares.

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. Remuneration Report**

To consider and, if thought fit, to pass the following Advisory Resolution:

*"That pursuant to and in accordance with Section 250R (2) of the Corporations Act 2001 the Directors' Remuneration Report, as contained within the Directors' Report and remuneration policies disclosed therein be adopted."*

#### **5. Employee Performance Rights Plan**

To consider and, if thought fit, to pass the following resolution as a special resolution:

*"That, for the purpose of Exception 9 in ASX Listing Rule 7.2 and all other purposes, approval is given for:*

- (a) *the establishment of the Linc Energy Employee Performance Rights Plan (**Plan**) as described in the Explanatory Memorandum accompanying and forming part of this Notice of Annual General Meeting;*
- (b) *the grant of Rights to Eligible Employees (as defined in the Plan) to acquire fully paid ordinary shares in the Company under the Plan; and*
- (c) *the issue or transfer of fully paid ordinary shares in the Company upon the vesting of Rights under the Plan."*



**Voting Exclusion**

The Company will disregard any votes cast on Resolution 5 by any executive director of the Company and 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.

Dated: 26 October 2009

By Order of the Board.

A handwritten signature in black ink, appearing to read "C. Ricato", is written over a light blue horizontal line.

Craig Ricato  
Company Secretary



**Linc Energy Ltd**

**ABN 60 076 157 045**

## **EXPLANATORY MEMORANDUM**

This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of the resolutions contained in the accompanying Notice of Annual General Meeting (**Notice**) of the Company.

The Directors (**Directors**) of Linc Energy Ltd (**Company**) recommend shareholders read the Explanatory Memorandum in full before making any decision in relation to the resolutions.

The following information should be noted in respect of the various matters in the accompanying Notice:

### **1. Consideration of Reports**

The Financial Report, the Directors' Report and the Independent Audit Report for the year ended 30 June 2009 will be presented for consideration.

### **2. Re-election of Mr Kenneth Dark as a Director retiring by rotation**

Article 16.1 of the Company's Constitution provides that at each Annual General Meeting one-third of the Directors (except for the Managing Director), or, if their number is not three or a multiple of three, then the number nearest but not exceeding one-third, shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day will (unless they otherwise agree between themselves) be determined by lot.

Accordingly, pursuant to Article 16.1 of the Company's Constitution, Mr Kenneth Dark being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company.

Mr Dark began his career in the area of industrial and electrical engineering. He went on to become a recognised specialist in his field in the aluminium smelting industry, where he led project-engineering teams both in Australia and Canada including work with Alcan Inc. He also holds tertiary qualifications in industrial electronics and electronics engineering.

He later established a highly successful business in the fuel distribution industry. During that time, Mr Dark represented fuel distributors on the national marketing operations and buying committees of two major fuel companies. Mr Dark continues to own and manage a string of service stations.

**Recommendation:** The Directors (with Mr Kenneth Dark abstaining) unanimously recommend that shareholders vote in favour of adopting this resolution.



### 3. Approval for previous share issues

ASX Listing Rule 7.4 allows the Company to ratify an issue of shares made without prior shareholder approval under ASX Listing Rule 7.1 if:

- a. The issue of shares did not breach ASX Listing Rule 7.1; and
- b. Shareholders subsequently approve the issue of those shares by the Company.

In general terms, Listing Rule 7.1 allows the Company to ratify and issue up to 15% of its issued capital in any 12 month period without the need for shareholder approval, subject to certain exceptions. This issue of the shares the subject of this resolution was not in breach of Listing Rule 7.1.

An issue of shares made without specific approval under ASX Listing Rule 7.1 is treated as having been made with approval for the purpose of ASX Listing Rule 7.1 if the original issue did not breach Listing Rule 7.1 and is subsequently approved by ordinary resolution of shareholders pursuant to the provisions of Listing Rule 7.4.

Since 27<sup>th</sup> November 2008, the date of the Company's last Annual General Meeting, the Company has issued shares in an amount equivalent to approximately 12.7% of its issued capital. Accordingly, the Company is seeking shareholder approval, pursuant to ASX Listing Rule 7.4, for the issue of these shares, so that future flexibility is retained. Details of the issue are as follows:

#### a. Approval of issue of shares to landowners

Resolution 3(a) seeks the ratification of shareholders of the issue of 46,394 amended to reflect below and resolution shares to various landowner groups throughout the year. The shares were issued pursuant to Compensation and Land Use and Access Agreements to enable the Company to access property over which it held tenure for the purpose of the exploration and development of its projects.

Pursuant to the provisions of Listing Rule 7.5, the following information is supplied to shareholders:

<b>Number of Securities Allotted:</b>	46,394
<b>Deemed price at which the Securities were issued:</b>	<ul style="list-style-type: none"> <li>• 851 shares - \$2.35</li> <li>• 877 shares - \$2.28</li> <li>• 678 shares - \$2.95</li> <li>• 877 shares - \$2.28</li> <li>• 666 shares - \$3.00</li> <li>• 719 shares - \$2.78</li> <li>• 877 shares - \$2.28</li> <li>• 781 shares - \$2.56</li> <li>• 939 shares - \$2.13</li> <li>• 666 shares - \$3.00</li> <li>• 1,383 shares - \$2.17</li> <li>• 7,143 shares - \$2.80</li> <li>• 6,849 shares - \$2.92</li> <li>• 1,712 shares - \$2.92</li> <li>• 3,425 shares - \$2.92</li> <li>• 6,061 shares - \$3.30</li> <li>• 645 shares - \$3.10</li> <li>• 645 shares - \$3.10</li> <li>• 312 shares - \$3.20</li> <li>• 312 shares - \$3.20</li> <li>• 762 shares - \$5.25</li> <li>• 571 shares - \$3.50</li> </ul>



	<ul style="list-style-type: none"> <li>• 654 shares - \$3.55</li> <li>• 572 shares - \$3.50</li> <li>• 625 shares - \$3.20</li> <li>• 688 shares - \$2.91</li> <li>• 877 shares - \$2.28</li> <li>• 833 shares - \$2.40</li> <li>• 1,644 shares - \$3.65</li> <li>• 687 shares - \$2.91</li> <li>• 1,120 shares - \$1.78</li> <li>• 943 shares - \$2.12</li> </ul>
<b>Terms of the Securities:</b>	Fully Paid Ordinary Shares
<b>Name of the allottees:</b>	<ul style="list-style-type: none"> <li>• Peter Schultz - 851</li> <li>• Peter Schultz - 877</li> <li>• Peter Schultz - 678</li> <li>• Peter Schultz - 877</li> <li>• Peter Schultz - 666</li> <li>• Peter Schultz - 719</li> <li>• Peter Schultz - 877</li> <li>• Peter Schultz - 781</li> <li>• Cedric Creed, Donald Creed &amp; Ailsa Creed - 939</li> <li>• William Mann - 666</li> <li>• Warren Clem &amp; Sandra Clem - 1,383</li> <li>• Larry Daniels &amp; Nancy Daniels - 7,143</li> <li>• Alan James Desmond &amp; Ethel Denise Esmond - 6,849</li> <li>• Adrian Vincent Esmond - 1,712</li> <li>• Patrick Esmond - 3,425</li> <li>• Bill Schaeffer &amp; Yvonne Schaeffer - 6,061</li> <li>• Keith Leonard Daniels - 645</li> <li>• Beryl Margaret Daniels - 645</li> <li>• Keith Leonard Daniels - 312</li> <li>• Beryl Margaret Daniels - 312</li> <li>• Ernest Thomas Holt &amp; Rosalind Holt - 762</li> <li>• Ernest Thomas Holt &amp; Rosalind Holt - 571</li> <li>• Philip Stanford &amp; Susanne Stanford - 654</li> <li>• Philip Stanford &amp; Susanne Stanford - 572</li> <li>• Philip Stanford &amp; Susanne Stanford - 625</li> <li>• Geju Pty Ltd - 688</li> <li>• Kevin Walker - 877</li> <li>• Bullroarer Station Pty Ltd - 833</li> <li>• Darryl Flett &amp; Susan Flett - 1,644</li> <li>• Geoffrey Plant &amp; Leigh Plant - 687</li> <li>• Dorothy Hatch - 2,063</li> </ul>
<b>Use of the funds raised:</b>	No capital was raised by the issue of shares. The shares were issued as consideration pursuant to Land Use and Access Agreements
<b>Date of allotment:</b>	Progressively between 23 February 2009 and 28 September 2009 (refer to Appendix 3B announcements on the Company's ASX platform.)

**Recommendation:** The Board unanimously recommends that shareholders vote in favour of adopting the approval of resolution (a) issue of shares to landowners.

**b. Ratification of issue of shares for capital raising purposes**

Resolution 3(b) seeks the ratification of shareholders for the previous issue of 41,000,000 shares which was completed in August 2009 and announced to the ASX on 3<sup>rd</sup> August 2009.

Pursuant to the provisions of Listing Rule 7.5, the following information is supplied to shareholders:



<b>Number of Securities Allotted:</b>	41,000,000
<b>Price at which the Securities were issued:</b>	\$1.40
<b>Terms of the Securities:</b>	Fully Paid Ordinary Shares
<b>Name of the allottees:</b>	The investors fell within one or more of the classes of exemptions specified in Section 708 of the Corporations Act 2001.
<b>Use of the funds raised:</b>	For the purpose of raising additional working capital for the Company.
<b>Date of Allotment:</b>	3 August 2009

**Recommendation:** The Board unanimously recommends that shareholders vote in favour of adopting the approval of resolution (b) issue of shares for capital raising purposes.

**c. Ratification of issue of shares on conversion of convertible notes**

Resolution 3(c) seeks the ratification of shareholders for the previous issue of 1,602,564 shares which was completed in March 2009 and announced to the ASX on 15<sup>th</sup> May 2009 which were issued following the conversion of three (3) Convertible Notes issued under the terms of the Convertible Note Deed Poll dated December 2008.

Pursuant to the provisions of Listing Rule 7.5, the following information is supplied to shareholders:

<b>Number of Securities Allotted:</b>	1,602,564
<b>Price at which the Securities were issued:</b>	\$1.872
<b>Terms of the Securities:</b>	Fully Paid Ordinary Shares
<b>Name of the allottees:</b>	Citicorp Nominees Pty Limited on account of investors who fell within one or more of the classes of exemptions specified in Section 708 of the Corporations Act 2001.
<b>Use of the funds raised:</b>	For the purpose of raising additional working capital for the Company.
<b>Date of Allotment:</b>	15 May 2009

**Recommendation:** The Board unanimously recommends that shareholders vote in favour of adopting the approval of resolution (c) issue of shares for capital raising purposes.

**d. Ratification of issue of shares on conversion of convertible notes**

Resolution 3(d) seeks the ratification of shareholders for the previous issue of 4,625,162 shares which was completed in March 2009 and announced to the ASX on 23<sup>rd</sup> January 2009 which were issued following the conversion of six (6) Convertible Notes issued under the terms of the Convertible Note Deed Poll dated December 2008.

Pursuant to the provisions of Listing Rule 7.5, the following information is supplied to shareholders:



<b>Number of Securities Allotted:</b>	4,625,162
<b>Price at which the Securities were issued:</b>	3,154,574 @ \$1.268 1,470,588 @ \$1.36
<b>Terms of the Securities:</b>	Fully Paid Ordinary Shares
<b>Name of the allottees:</b>	Citicorp Nominees Pty Limited on account of investors who fell within one or more of the classes of exemptions specified in Section 708 of the Corporations Act 2001.
<b>Use of the funds raised:</b>	For the purpose of raising additional working capital for the Company.
<b>Date of Allotment:</b>	23 January 2009

**Recommendation:** The Board unanimously recommends that shareholders vote in favour of adopting the approval of resolution (d) issue of shares for capital raising purposes.

#### 4. Adoption of Remuneration Report

Pursuant to Section 250R(2) of the Corporations Act 2001, a resolution adopting the Directors' Remuneration Report contained within the Directors' Report must be put to the vote.

Shareholders are advised that pursuant to Section 250R(3) of the Corporations Act, this resolution is advisory only and does not bind the Directors or the Company.

The Directors' Remuneration Report is set out within the Directors' Report. The Report:

- Explains the Board's policy for determining the nature and amount of remuneration of executive and non-executive Directors and senior executives of the Company;
- Sets out remuneration details for each Director and the five most highly remunerated senior executives of the Company;
- Details and explains any performance conditions applicable to the remuneration of executive Directors and senior executives of the Company; and
- Provides an explanation of the option-based compensation payments for each Director and senior executives of the Company.

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

**Recommendation:** The Board unanimously recommends that shareholders vote in favour of adopting the Directors' Remuneration Report.

#### 5. Employee Performance Rights Plan

The Board seeks shareholder approval for the introduction of a new employee performance rights plan called the Linc Energy Rights Plan (**Plan**).

##### Reason for the Plan

In line with the Company's remuneration philosophy, the Board believes that appropriately designed equity based plans are an important component of the Company's remuneration arrangements.



To date, the Company has granted long term incentives in the form of shares under the Employee Share Plan and share options under the Employee Option Plan. Those plans have been in place since the listing of the Company in 2006.

The Board believes that in order to attract and retain talented directors and employees and provide a long-term incentive which continues to align the interests of directors and employees with the Company's strategies, a flexible equity based plan should be established to allow the Board to grant different types of performance-based awards depending on the prevailing circumstances.

Accordingly, the Board wishes to establish the Plan to enable the Board to grant long term incentives in the form of rights (**Rights**) which will vest only on the satisfaction of appropriate performance hurdles and/or conditions.

The objectives of the Plan are to:

- (a) provide participants with an incentive plan which recognises ongoing contribution to the achievement by the Company of long term strategic goals;
- (b) establish an employee incentive scheme within the meaning of the Tax Act and an employee share scheme within the meaning of Class Order 03/184 issued by the Australian Securities and Investments Commission;
- (c) align the interests of participants with other holders of shares in the Company through the sharing of a personal interest in the future growth and development of the Company as represented in the price of Company shares; and
- (d) provide a means of attracting and retaining skilled and experienced employees.

#### Reason for Plan approval

Approval of Shareholders is sought for all purposes under the Corporations Act and the ASX Listing Rules. In particular Shareholder approval is sought under Listing Rule 7.1 and 7.2 and section 260C(4) of the Corporations Act

#### *Listing Rule 7.1 and 7.2*

Approval of shareholders is sought for the purpose of Exception 9 in ASX Listing Rule 7.2.

In general terms, ASX Listing Rule 7.1 requires the Company to obtain the prior approval of shareholders to issue securities if, when aggregated with securities issued by the Company during the previous 12 months, will exceed 15% of the number of securities the Company has on issue at the commencement of that 12 month period. There are a number of exceptions to ASX Listing Rule 7.1, including ASX Listing Rule 7.2 (Exception 9).

ASX Listing Rule 7.2 (Exception 9) provides that ASX Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme (such as the Plan), if, within 3 years before the date of issue of securities, shareholders of the company have approved the issue of securities under the employee incentive scheme as an exception to Listing Rule 7.1.

If the Plan is approved for the purpose of ASX Listing Rule 7.2 (Exception 9), any Rights issued during the 3 years following the 2009 Annual General Meeting will not reduce the Company's capacity to issue securities under ASX Listing Rule 7.1. Furthermore, under ASX Listing Rule 7.2 (Exception 4), any ordinary fully paid shares issued at any time on conversion



of the Rights, where the Rights were issued in the 3 years since shareholder approval, will similarly not reduce the Company's capacity to issue securities under ASX Listing Rule 7.1.

Pursuant to the provisions of ASX Listing Rule 7.2 (Exception 9(b)) the following information is provided to Shareholders:

<b>Number of securities issued under the Plan since the date of last approval:</b>	As the Plan is a new employee incentive scheme, no prior approval under ASX Listing Rule 7.2 (Exception 9) has been given and no securities have been issued under the Plan
<b>Summary of the terms of the Plan:</b>	This is provided below.

*Corporations Act 260C(4) Financial Assistance*

The Board believes that the Plan may involve the provision of financial assistance constituted by the grant for no consideration of shares under the Plan. Under the Corporations Act, section 260C(4), the Company may provide financial assistance under an employee share plan approved by shareholders in general meeting. Accordingly, the Company seeks the approval of the terms of the Plan so that it may provide financial assistance to employees under the terms of the Plan.

**Summary of the Plan**

Governing Documents

The Plan is established and operated in accordance with:

- (a) the Terms and Conditions governing Plan (**Terms and Conditions**) including any additional Terms and Conditions made by the Board under clause 8.2(a) of the Terms and Conditions;
- (b) any rules made by the Board pursuant to clause 12 of the Terms and Conditions (**Plan Rules**) which must be consistent with the Terms and Conditions for the Plan; and
- (c) any terms and conditions to the Rights as contained within any letter, invitation or application form issued by the Board.

Summary of Terms and Conditions

- (a) Under the Plan, the Board may from time to time invite a full time employee or executive director of the Company or any wholly owned subsidiary or controlled entity of the Company whom the Board decides in its absolute discretion is eligible to be invited to receive a grant of Rights in the Plan from time-to-time, provided the employee or executive director is not prohibited from participating in the Plan under the terms and conditions of the Plan (**Eligible Employee**) to participate in the Plan and grant the Eligible Employee a right to acquire fully paid ordinary shares in the Company on conversion of the right (**Right**) as part of the Eligible Employee's remuneration.
- (b) An invitation to an Eligible Employee may be in such form and content as the Board determines and may include information relating to:



1. the ratio in which the Right may convert to ordinary shares in the Company;
  2. the date on which Rights will be allotted;
  3. the amount to be paid by the Eligible Employee to acquire the Rights.
- (c) Holders of Rights (**Participants**) must not grant any security over any Right of the shares for which the Right may convert.
- (d) The Company will not apply for ASX quotation of any Rights issued under the Plan.
- (e) Rights will vest on the date specified in the Plan Rules or as amended by the Board (**Vesting Date**) subject to the specified conditions and/or performance hurdles being satisfied.
- (f) Rights will expire or lapse on the earlier of:
1. The Vesting Date if any performance conditions contained in the Plan Rules are not satisfied by the Vesting Date; or
  2. The termination of employment of an Eligible Employee (subject to Board determination).
- (g) Share(s) in the Company to be provided to an Eligible Employee upon the vesting of a Right may be:
1. issued shares acquired by the Company on market and transferred to the Eligible Employee; or
  2. new shares issued by the Company.
- (h) Any shares issued or transferred as a result of the vesting of Rights issued under the Plan will rank equally with existing fully paid ordinary shares in the Company, in all respects including voting rights, entitlement to dividends and future entitlement issues.

**Recommendation:** The Directors (with Executive Director, Mr Peter Bond, abstaining) unanimously recommend that shareholders vote in favour this resolution.



## **Voting**

### **Point at Which Voting Rights are Determined**

The regulations of the Corporations Act 2001 permit the Company to specify a time, not more than 48 hours before the meeting, at which a "snap-shot" of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the meeting.

The Company's Directors have passed a resolution to the effect that all shares of the Company that are quoted on the ASX at 6:00pm (AEST) on 24 November 2009 shall, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the shares at that time.

### **Voting by Proxy**

Please note that:

- (a) a member of the Company entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company 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 is not specified each proxy is entitled to cast half of the number of votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

### **Corporate Representative**

In order to vote on behalf of a company that is a shareholder in the Company, a valid Appointment of Corporate Representative form must be either lodged with the Company prior to the General Meeting or be presented at the meeting before registering on the Attendee Register for the General Meeting.

**If you have not elected to receive a hard copy of our annual report, you are still able to view and download a copy by visiting our website [www.lincenergy.com.au](http://www.lincenergy.com.au)**