

ORCA ENERGY LIMITED

ACN 009 121 644

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at
Level 1, 35 Richardson Street, West Perth, Western Australia, Western Australia
on Friday 20 November 2015 at 9.00am (WST).

This Notice of Annual General Meeting 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 by telephone on +61 8 9212 0102.

ORCA ENERGY LIMITED

ACN 009 121 644

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting of Shareholders of Orca Energy Limited (**Company**) will be held at Level 1, 35 Richardson Street, West Perth, Western Australia, Western Australia on Friday 20 November 2015 at 9.00am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form 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 on Wednesday 18 November 2015 at 4.00pm (WST).

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

AGENDA

1. Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2015, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. Resolution 1 – Adoption of Remuneration Report

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

"That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the 2015 Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."

Note: The vote on Resolution 1 will be an advisory vote of Shareholders only, and will not bind the Directors or the Company.

Voting Prohibition: In accordance with section 250R of the Corporations Act, a vote on this Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; or
 - (b) the person is the Chairman voting an undirected proxy which expressly authorises the Chairman to vote the proxy on a resolution connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
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3. Resolution 2 – Ratification of Share Issue

To consider and, if thought fit, to pass, with or without amendment, 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 issue of 12,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution 2 by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions

on the Proxy Form, or, 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 3 – Re-election of Director – Mr Jason Bontempo

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

"That Mr Jason Bontempo who retires in accordance with Article 6.3(c) of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

5. Resolution 4 – Approval of 10% Additional Placement Capacity

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue a number of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast on this Resolution 4 by a person who may participate in the 10% Additional Placement Capacity issue and a person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if this Resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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 19 October 2015

BY ORDER OF THE BOARD



Aaron Bertolatti
Company Secretary

ORCA ENERGY LIMITED

ACN 009 121 644

EXPLANATORY MEMORANDUM

1. Introduction

1.1 General

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 1, 35 Richardson Street, West Perth, Western Australia, Western Australia on Friday 20 November 2015 at 9.00am (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

1.2 Proxies

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, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (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 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.

1.3 Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. Copies of the report can be found on the Company's website www.orcaenergy.com.au or by contacting the Company on +61 8 9212 0102.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report for the financial year ended 30 June 2015;
- (b) ask questions or make comment on the management of the Company;
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

2. Resolution 1 – Adoption of Remuneration Report

The Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive and non-executive directors.

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

The vote on Resolution 1 is advisory only and does not bind the Company or its directors. However, the Board will actively consider the outcome of the vote and comments made by Shareholders on the Remuneration Report when reviewing the Company's future remuneration policies and practices.

3. Resolution 2 – Ratification of Share Issue

3.1 General

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 (or any additional 10% placement facility approved by Shareholders pursuant to Listing Rule 7.1A) without the requirement to obtain prior Shareholder approval.

3.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 12,000,000 Shares were issued;
 - (b) the Shares were issued for nil cash consideration in satisfaction of stockbroking and corporate advisory services provided by 708 Capital Limited;
 - (c) the Shares were issued to 708 Capital Limited (or its nominee/s), none of whom are related parties of the Company;
 - (d) the Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
 - (e) no funds were raised from the issue as the Shares were issued in consideration for the services provided by 708 Capital Limited.
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4. Resolution 3 – Re-election of Director – Mr Jason Bontempo

Article 6.3(c) of the Constitution requires that one third of the Directors must retire at each annual general meeting.

Article 6.3(f) of the Constitution provides that a Director who retires under Article 6.3(c) is eligible for re-election.

Pursuant to these Articles, Mr Jason Bontempo will retire by rotation and seek re-election.

Mr Bontempo has worked in investment banking and corporate advisory since qualifying as a Chartered Accountant with Ernst & Young in 1997. Mr Bontempo has worked for investment banks in Australia and the UK and has been closely involved with the advising and financing of companies in the resources industry specialising in asset sales and AIM | ASX listings. Mr Bontempo is also currently a director of Red Emperor Resources NL (ASX/AIM: RMP).

The Board (other than Mr Bontempo abstaining because of his interest in this Resolution) recommends that Shareholders vote FOR this Resolution.

5. Resolution 4 – Approval of 10% Additional Placement Capacity

5.1 General

Resolution 4, if passed, would give the Company additional capacity to issue or agree to issue Equity Securities (up to 10% of the Company's total fully paid ordinary securities on a 12 month look back basis), in addition to the 15% permitted under Listing Rule 7.1, without further member approval (**Additional Placement Capacity**).

The information below provides more background on Listing Rule 7.1A and the disclosure required by Listing Rule 7.3A.

The Board considers it is in the Company's best interests to have the opportunity to take advantage of the flexibility to be able to issue additional securities provided under Listing Rule 7.1A. No decision has been made by the Board to undertake any issue of securities if Shareholders approve Resolution 4. The Board believes that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 4.

5.2 Description of Listing Rule 7.1A

(a) Additional Placement Capacity

Under Listing Rule 7.1A, an eligible entity may seek approval from members by special resolution at its annual general meeting to have the Additional Placement Capacity.

If approved, the Additional Placement Capacity will allow the Company for a period of 12 months from the date of the Meeting to issue or agree to issue Equity Securities equal to 10% of the number of total fully paid ordinary securities on issue (on a 12 month look back basis) on a non-pro rata basis.

(b) Eligible entity

Under the Listing Rules, an "eligible entity" is an entity which, as at the date of the relevant resolution, is not included in the S&P/ASX300 Index and has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) equal to or less than \$300 million. As at the date of this Notice, the Company is an "eligible entity".

(c) Special resolution

The Additional Placement Capacity requires shareholder approval by way of a special resolution at an annual general meeting. This requires at least 75% of the votes to be cast in favour of the resolution by members entitled to vote on the resolution.

(d) Securities which may be issued under the Additional Placement Capacity

Under the Additional Placement Capacity, the Company must issue Equity Securities belonging to an existing quoted class of the Company's Equity Securities. As at the date

of this Notice, the Company has on issue one class of quoted Equity Securities, being fully paid ordinary shares (ASX Code: OGY).

(e) Formula for calculating 10% Additional Placement Capacity

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of Shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid ordinary securities that became fully paid ordinary securities in the 12 months;
- (C) plus the number of fully paid ordinary shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval,
- (D) less the number of fully paid ordinary shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

(f) Minimum Issue Price

The issue price of each Equity Security issued under the Additional Placement Capacity must be no less than 75% of the VWAP for the securities in that class.

The VWAP is to be calculated over the 15 trading days on which trades of securities in that class were recorded immediately before:

- (i) the date on which the issue price is agreed for the securities under the Additional Placement Capacity; or
- (ii) if the securities are not issued under the Additional Placement Capacity within 5 trading days of the date in paragraph (i) above, the date on which the securities are issued.

The Company will disclose this information when Equity Securities are issued under the Additional Placement Capacity.

(g) 10% Placement Period

Under Listing Rule 7.1A.1, the approval for the Additional Placement Capacity must be for a period (**Additional Placement Period**) commencing on the date of the Annual General Meeting and expiring on the earlier of:

- (i) the date that is 12 months after the date of the Annual General Meeting; or

- (ii) if the Company receives Shareholder approval for a proposed transaction under Listing Rule 11.1.2 (significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking), the date of that approval.

The Company will only issue the Equity Securities during the Additional Placement Period. The approval under Resolution 4 for the issue of Equity Securities will cease to be valid in the event that members approve a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.

(h) Dilution risks

If Equity Securities are issued under the Additional Placement Capacity, there is a risk of economic and voting dilution of existing Shareholders, including the following risks:

- (i) the market price for Equity Securities in the class of securities issued under the Additional Placement Capacity may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A (that is, the date of the Meeting, if Resolution 4 is approved); and
- (ii) the Equity Securities may be issued under the Additional Placement Capacity at a discount to the market price for those Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlement offer or securities issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future general meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

| Number of Shares on Issue | Issue Price per Share | \$0.007 | \$0.014 | \$0.028 |
|--------------------------------|-----------------------|-------------------------------------|---------------------|--------------------------------------|
| | | 50% decrease in current issue price | Current issue price | 100% increase in current issue price |
| 463,382,876 (Current) | 10% Voting dilution | 46,338,288 | 46,338,288 | 46,338,288 |
| | Funds Raised | \$324,368 | \$648,736 | \$1,297,472 |
| 695,074,314 (50% increase) | 10% Voting dilution | 69,507,431 | 69,507,431 | 69,507,431 |
| | Funds Raised | \$486,552 | \$973,104 | \$1,946,208 |
| 926,765,752 (100% increase) | 10% Voting dilution | 92,676,575 | 92,676,575 | 92,676,575 |
| | Funds Raised | \$648,736 | \$1,297,472 | \$2,594,944 |

The examples in the above table are based on the following assumptions:

- (i) The Company issues Shares for cash under the Additional Placement Capacity and no other types of quoted Equity Securities.
- (ii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iii) Other than as indicated in the table, the Company does not issue any additional Equity Securities during the Additional Placement Period.
- (iv) The table shows only the effect of issues of Shares under Listing Rule 7.1A, not under the existing 15% placement capacity under Listing Rule 7.1.
- (v) The table does not show an example of dilution that may be caused to a particular Shareholder based on that Shareholder's holding at the date of the Meeting.
- (vi) No Options are exercised during the Additional Placement Period and before the date of the issue of the Equity Securities.
- (vii) The issue price is \$0.014, being the closing share price of the Shares on ASX on 18 October 2015.

- (i) For what purpose will the Company issue Equity Securities?

The Company may issue Equity Securities under the Additional Placement Capacity for the following purposes:

- (i) to provide non-cash consideration for new asset purchases or investments; or
- (ii) to raise cash to fund:
 - (A) general working capital expenses;
 - (B) repayment of debt; or
 - (C) the acquisition of new assets and investments (including any expenses associated with such an acquisition).

The Company will comply with the disclosure ASX Listing Rules 7.1A.4 and 3.10.5A on issue of any Equity Securities issued pursuant to the approval sought by Resolution 4. If Equity Securities are issued for non-cash consideration, the Company will at the time of issue of the Equity Securities provide a valuation of the non-cash consideration that demonstrates that the issue price of the securities are at or above the minimum issue price, in accordance with the Note to ASX Listing Rule 7.1A.3. The Company intends to maintain the ability to issue securities under ASX Listing Rule 7.1A for non-cash consideration.

- (j) What is the allocation policy?

The Company's allocation policy and the identity of the recipients of Equity Securities issued under the Additional Placement Capacity will be determined on a case-by-case basis at the time of issue and in the Company's discretion.

No decision has been made in relation to an issue of Equity Securities under the Additional Placement Capacity, including whether the Company will engage with new investors or existing Shareholders, and if so the identities of any such persons.

However, when determining of the allocation policy and the identity of the recipients, the Company will have regard to the following considerations:

- (i) the purpose for the issue of the Equity Securities;

- (ii) the financial situation and solvency of the Company;
- (iii) impacts of the placement on control;
- (iv) other methods of raising capital; and
- (v) advice from corporate, financial and broking advisers (if applicable).

Recipients may include existing Shareholders or new investors, but not persons who are related parties or associates of related parties of the Company. If the issue is made in connection with the acquisition of assets, the recipients may be the sellers of those assets.

- (k) Details of approvals under Listing Rule 7.1A previously obtained by the Company

The Company has previously obtained Shareholder approval under Listing Rule 7.1A.

In accordance with Listing Rule 7.3 A.6 the total number of Equity Securities issued in the 12 months preceding the date of this notice of meeting as follows:

| | |
|---|------------|
| Equity securities issued in prior 12 month period | 22,500,000 |
| Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period | 4.69% |

| Date of Issue | Number of Securities | Class | Issue Price | Discount to Market price | Total Consideration | Recipient / Basis of allotment |
|------------------------|----------------------|--|-------------|--------------------------|---------------------|--|
| 30/4/2015 ¹ | 10,500,000 | Unlisted Options (\$0.015 on or before 31/12/17) | Nil | N/A | Nil | Incentive securities for a Director and consultant as approved by shareholders at EGM held on 30 April 2015 |
| 18/9/2015 ¹ | 12,000,000 | Fully paid ordinary shares | Nil | N/A | Nil | Issued to corporate advisor of the Company as consideration for stockbroking and corporate advisory services |

- (l) In the 12 months preceding the date of this Notice of Meeting the Company has not completed any capital raisings and accordingly, has not raised any cash consideration.
- (m) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Schedule 1 Definitions

10% Additional Placement Capacity has the meaning in Section 5.1.

10% Placement Period has the meaning in Section 5.2(g).

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2015.

Article means an article of the Constitution.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Chairman means the chairman of the Meeting.

Closely Related Party has the meaning in section 9 of the Corporations Act.

Company means Orca Energy Limited ACN 009 121 644.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Option means an option which entitles the holder to subscribe for one Share.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution contained in this Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means volume weighted average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice, words importing the singular include the plural and vice versa.

ORCA ENERGY LIMITED

ACN 009 121 644

PROXY FORM

Step 1 – Appoint a Proxy to Vote on Your Behalf

I/We being member(s) of ORCA ENERGY LIMITED hereby appoint:

The Chairman of
the Meeting
(mark box)

OR

If you are **NOT appointing the Chairman of the Meeting** as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of the Company to be held at Level 1, 35 Richardson Street, West Perth, Western Australia, Western Australia on Friday 20 November 2015 at 9.00am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below. **The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.** In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 2 – Instructions as to Voting on Resolutions

PLEASE NOTE: If you mark the Abstain box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

| | | FOR | AGAINST | ABSTAIN |
|--------------|---|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Ratification of Share Issue | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Re-election of Director – Mr Jason Bontempo | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 | Approval of 10% Additional Placement Capacity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Step 3 – Sign

Authorised signature/s

This section **must** be signed in accordance with the instructions below 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

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person 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 body corporate as the Shareholder's proxy to attend and vote for the Shareholder at the Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative 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 address below no later than 48 hours prior to the time of commencement of the Meeting.

Lodge your vote:**By hand:**

Company Secretary
Orca Energy Limited
Level 1
35 Richardson Street
West Perth
WA 6005

By post:

PO Box 1440,
West Perth, WA
6872

By facsimile:

+61 9262 3723