



2 August 2011

Dear Optionholder

OPTION EXPIRY

Notice is hereby given that the final date for exercising the Company's listed options (\$0.025, 31 August 2011) is 5.00pm WST on 31 August 2011. The exercise price is \$0.025 per option. On exercise of each option Optionholders will be issued with one new fully paid ordinary share in Monitor Energy Limited.

Options not exercised by 5.00pm WST on 31 August 2011 will expire. Failure to exercise the Option will result in the forfeiture of any rights that the Optionholder may have in relation to the Ordinary shares.

To convert your Options to Ordinary Shares (Exercise of Options) please complete the option exercise form and forward with your payment to:

Advanced Share Registry Services or deliver to: **Advanced Share Registry Services**
PO Box 1156 **150 Stirling Highway**
NEDLANDS WA 6909 **NEDLANDS WA 6009**

Cheques should be made payable to Monitor Energy Limited. Receipt for payment will not be forwarded.

During the three months preceding the date of this notice the highest sale price of Ordinary Shares in Monitor Energy Limited was \$0.003 on 31 May 2011, 22 July 2011 and 25 July 2011 and the lowest sale price of Ordinary Shares in Monitor Energy Limited was \$0.001 on the 8, 10, 17, 20, 27, 28, 29 June 2011 and 13 July 2011. The latest available marker sale price on the Australian Securities Exchange Ltd before the date of this notice was \$0.002 on 29 July 2011.

The Company advises that the terms of the options will not be extended. The Company sought a waiver from ASX to extend the term of the options which was denied.

If you wish to clarify any taxation consequences relating to the Exercise of Options, please consult your solicitor, accountant or professional advisor.

Yours sincerely

Mark Gwynne
Executive Director