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PRYME OIL AND GAS LTD  
ABN 75 117 387 354  
NOTICE OF ANNUAL GENERAL MEETING

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**TIME:** 10:30am (Brisbane time)

**DATE:** 23 April 2008

**PLACE:** The Edinburgh Room  
Level 4 The Brisbane Club  
241 Adelaide Street, Brisbane, Queensland  
(Entrance via Brisbane Club Tower, Post Office Square (Queen St Level))

**This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting. Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretaries on (02) 8280 7063 or (02) 8280 7863.**

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## **NOTICE OF GENERAL MEETING**

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Notice is given that the Annual General Meeting of the Shareholders of Pryme Oil and Gas Limited (Pryme) will be held at 10.30am (Brisbane time) on Wednesday 23 April 2008 at The Edinburgh Room, Level 4, The Brisbane Club, 241 Adelaide Street, Brisbane, Queensland.

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 7.00pm (Brisbane time) on Monday, 21 April 2008.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

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## **AGENDA**

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### **A. CONSIDERATION OF REPORTS**

To receive and consider the Financial Report, the Directors' Report and the Independent Audit Report of the Company for the financial year ended 31 December 2007.

All Shareholders can view the Annual Report, which contains the Financial Report for the year ended 31 December 2007 on the website of the Company ([www.prymeoilandgas.com](http://www.prymeoilandgas.com)), go to "Investor Relations" and then "Financial Reports". Shareholders who have specifically requested the Company's Share Registry will be sent a hard copy Annual Report.

### **B. QUESTIONS AND COMMENTS**

Following the consideration of the Reports, the Chairman will give Shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman will also give Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Independent Audit Report;
- (c) the 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.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by Shareholders that are relevant to the content of the Independent Audit Report or the conduct of the audit. A list of written questions, if any, submitted by Shareholders will be made available at the start of the Meeting and any written answer tabled by the Auditor at the Meeting will be made available as soon as practicable after the Meeting.

### **C. ITEMS FOR APPROVAL**

#### **1. Re-election of John Dickinson**

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

*"That Mr John Dickinson, who retires in accordance with clause 13.2 of the Company's Constitution, and having offered himself for re-election and being eligible, is hereby re-elected as a Director of the Company."*

#### **2. Re-election of Ananda Kathiravelu**

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

*"That Mr Ananda Kathiravelu, who retires in accordance with clause 13.2 of the Company's Constitution, and having offered himself for re-election and being eligible, is hereby re-elected as a Director of the Company."*

#### **3. Remuneration Report**

To consider and, if thought fit, to pass the following as an advisory resolution of the Company:

*"That, the Company's Remuneration Report for the financial year ended 31 December 2007 (set out in the Directors' Report) be adopted."*

By order of the Board



Swapna Keskar  
**Company Secretary**  
14 March 2008

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## **EXPLANATORY STATEMENT**

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This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at The Edinburgh Room, Level 4 The Brisbane Club, 241 Adelaide Street, Brisbane, Queensland at 10.30am (Brisbane time) on 23 April 2008.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions at the Annual General Meeting.

### **RESOLUTION 1: RE-ELECTION OF DIRECTOR – MR JOHN DICKINSON**

In accordance with clause 13.2 of the Company's Constitution, Mr John Dickinson retires by rotation and, being eligible, offers himself for re-election as a Director.

Mr Dickinson graduated from the Tulane University School of Business and has 33 years experience in energy sector drilling, completions, production operations and project finance, primarily in the areas of oil, natural gas and coal bed methane resource development, gas gathering, gas compression, gas transmission and project finance of combustion-turbine power plants.

He operated a large oil & gas producing property in South Texas for six years with Mobil Oil and others and co-developed four electric power projects in the U.S. He later pursued a coalbed methane technology transfer opportunity in Colombia with ECOPETROL, the state-owned oil & gas company, which concluded successfully.

Mr Dickinson is active in the continuing investigation and testing of organic shales and bituminous coals in Oklahoma in the Arkoma and Cherokee Basins and several other basins in the U.S. He has been published several times in industry journals, including: Independent Energy Magazine and Cogeneration & Small Power Monthly and has recently represented venture capital funds in London, Connecticut and Hong Kong in the investigation of new drilling technologies and power project development, including renewable energy.

The Directors, with Mr John Dickinson abstaining, recommend that Shareholders vote in favour of this Resolution.

### **RESOLUTION 2: RE-ELECTION OF DIRECTOR – MR ANANDA KATHIRAVELU**

In accordance with clause 13.2 of the Company's Constitution, Mr Ananda Kathiravelu retires by rotation and, being eligible, offers himself for re-election as a Director.

Mr Kathiravelu holds a Bachelors degree in Business and a Graduate Diploma in Applied Finance and Investment. He is an associate of the Securities Institute of Australia and has over 15 years experience in the financial services industry.

He is currently Executive Chairman of Rockstead Financial Services Limited (formerly known as First Capital Group Ltd), and Non-Executive Chairman of Transit Holdings Limited, both ASX listed companies. He is also the Managing Director of Armada Capital Ltd, an investment bank.

His areas of expertise include corporate advice, capital raising and mergers and acquisitions, with primary focus on the small cap and emerging business sectors.

The Directors, with Mr Kathiravelu abstaining, recommend that Shareholders vote in favour of this Resolution.

### **Resolution 3: REMUNERATION REPORT**

Section 250R(2) of the *Corporations Act* requires shareholders to vote on an advisory resolution that the Remuneration Report (the Report) be adopted.

The Report details the remuneration policy for the Company and reports the remuneration arrangements for Key Management Personnel (identified for the purposes of the Accounting Standards). The Report is available on pages 27 to 35 in the Company's 2007 Annual Report. The Report can also be viewed as part of the Annual Report on the website at [www.prymeoilandgas.com](http://www.prymeoilandgas.com) under "Investor Relations" and then "Financial Reports".

The Chairman will give Shareholders a reasonable opportunity to ask questions about or make comments on the Report.

The Directors recommend that Shareholders vote in favour of this advisory Resolution.

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## IMPORTANT INFORMATION

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### YOUR VOTE IS IMPORTANT

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The business of the General Meeting affects your shareholding and your vote is important.

### VOTING IN PERSON

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To vote in person, attend the General Meeting on the date and at the place set out above.

### VOTING BY PROXY

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To vote by proxy, please complete and sign the proxy form enclosed and send the proxy form:

(a) by post to Pryme Oil and Gas Limited, GPO Box 111, Brisbane QLD 4001; or

(b) by facsimile to the Company on facsimile number (+61 7) 3371 1105,

so that it is received not later than 10.30am (Brisbane time) on 21 April 2008.

**Proxy forms received later than this time will be invalid.**

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## GLOSSARY

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**Annual General Meeting** means the annual general meeting of the Company convened by this Notice.

**ASX Limited** means the Australian Securities Exchange.

**Board** means the board of directors of the Company.

**Company** means Pryme Oil and Gas Limited (ABN 75 117 387 354).

**Constitution** means the Company's constitution.

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

**Directors** mean the directors of the Company.

**Explanatory Statement** means the explanatory statement to the Notice.

**Notice** and **Notice of Meeting** means the Notice of Annual General Meeting and Explanatory Statement.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**APPOINTMENT OF PROXY  
PRYME OIL AND GAS LTD  
ACN 117 387 354**

**ANNUAL GENERAL MEETING**

I/We

being a member of Pryme Oil and Gas Ltd entitled to attend and vote at the Annual General Meeting, hereby

Appoint

OR

Mark this box if you wish to appoint the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the meeting or the Chair's nominee 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, as the proxy sees fit, at the Annual General Meeting to be held at 10:30am (Brisbane time), on 23 April 2008 at The Edinburgh Room, Level 4 The Brisbane Club, 241 Adelaide Street, Brisbane, Queensland and at any adjournment thereof. If no directions are given, the Chair will vote in favour of all the resolutions.

**Voting on Business of the General Meeting**

	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN*</b>
Resolution 1 – Re-election of Director – Mr John Dickinson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Mr Ananda Kathiravelu	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*\*If you mark the Abstain box for a particular resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.*

If two proxies are being appointed, the proportion of voting rights this proxy represents is ..... %

Signed this ..... day of ..... 2008

**By:**

**Individuals and joint holders**

Signature
Signature
Signature

**Companies (affix common seal if appropriate)**

Director
Director/Company Secretary
Sole Director and Sole Company Secretary

**PRYME OIL AND GAS LTD**  
**ACN 117 387 354**

**Instructions for Completing 'Appointment of Proxy' Form**

1. A member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
  - 2 directors of the company;
  - a director and a company secretary of the company; or
  - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. To vote by proxy, please complete and sign the enclosed proxy form and return by:
  - (a) post to Pryme Oil and Gas Limited, GPO Box 111, Brisbane QLD 4001; or
  - (b) facsimile to the Company on facsimile number +61 7 3371 1105,so that it is received not later than 10:30am (Brisbane time) on 21 April 2008.

**Proxy forms received later than this time will be invalid.**