



**NOTICE OF ANNUAL GENERAL MEETING  
AND EXPLANATORY MEMORANDUM**

**24 NOVEMBER 2011**

*An Annual General Meeting of*  
**LIQUEFIED NATURAL GAS LIMITED**  
*ABN 19 101 676 779*

*will be held at*  
*4.00pm on Thursday, 24 November 2011*  
*at*  
*Sofitel Brisbane Central*  
*Level 2, Bastille Room*  
*249 Turbot Street, Brisbane, Queensland*

**Dated 21 October 2011**

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**LIQUEFIED NATURAL GAS LIMITED**  
**ABN 19 101 676 779**  
**(“COMPANY”)**

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## ACTION REQUIRED BY SHAREHOLDERS

**Step 1 : Read the notice of meeting and the explanatory memorandum.** The explanatory memorandum sets out details in relation to the Resolutions. This information is important.

**Step 2 : Vote on the Resolutions:** Your vote is important. You may cast your vote by:

- attending and voting at the meeting to be held at Sofitel Brisbane Central, Level 2, Bastille Room, 249 Turbot Street, Brisbane, Queensland, on Thursday 24 November 2011 commencing at 4.00pm; or
- completing and returning the enclosed proxy form so as to be received by the Company at the office of the Company's share registry by 4:00pm (Brisbane time) on Tuesday, 22 November 2011.

# NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an annual general meeting of the Shareholders of the Company will be held on Thursday, 24 November 2011 at Sofitel Brisbane Central, Level 2, Bastille Room, 249 Turbot Street, Brisbane, Queensland, commencing at 4.00pm.

If you are unable to attend the meeting, you are encouraged to complete and return the enclosed proxy form. The completed proxy form must be received by the Company at its registered office or the office of its share registry at least 48 hours prior to the commencement of the meeting.

## AGENDA

### ORDINARY BUSINESS

#### FINANCIAL STATEMENTS

*To receive and consider the financial statements of the Company consisting of the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement, Directors' Declaration and reports of the Directors and Auditors for the year ended 30 June 2011.*

#### 1. Adoption of Remuneration Report (Resolution 1)

*The section of the Directors' Report for the financial year ending 30 June 2011 dealing with the remuneration of the Company's Directors, Company Secretary and other Key Management Personnel be adopted.*

- Although this Resolution is advisory only, this Resolution shall be determined as if it were an ordinary resolution.
- This resolution does not bind the Directors or the Company.

#### **Voting Prohibition Statement:**

The Company will disregard any votes cast on this Resolution by or on behalf of any Director, the Company Secretary or any other member of the Key Management Personnel of the Company (or their nominee), details of whose remuneration are included in the Remuneration Report, and any of their closely related parties. (Please refer to the definition of Key Management Personnel in the Explanatory Statement.) 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.

Any undirected proxy for a Shareholder that is entitled to vote that is held by the Chair, a Director, the Company Secretary or any other member of the Key Management Personnel or any of their closely related parties cannot be voted on Resolution 1 and that Shareholder's vote will not be counted. If you appoint the Chair, a Director, the Company Secretary or any other Key Management Personnel or any of their closely related parties as your proxy, you must direct them how to vote on Resolution 1 if you want your Shares to be voted on this item of business.

### SPECIAL BUSINESS

#### 2. Re-Election of Director (Resolution 2)

##### **TO CONSIDER AND IF THOUGHT FIT PASS AS AN ORDINARY RESOLUTION:**

*That Norman Marshall, having retired as a Director in accordance with rule 9.1(e) of the Constitution of the Company, offers himself for re-election, in accordance with the Constitution of the Company and having consented to act, be, and is hereby elected as a Director.*

#### 3. Re-Election of Director (Resolution 3)

##### **TO CONSIDER AND IF THOUGHT FIT PASS AS AN ORDINARY RESOLUTION:**

*That Leanne Kay Bond, having retired as a Director in accordance with rule 9.1(e) of the Constitution of the Company, offers herself for re-election, in accordance with the Constitution of the Company and having consented to act, be, and is hereby elected as a Director.*

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## Snapshot Date

The Directors have determined that for the purposes of regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)*, the persons eligible to attend and vote at the meeting are those persons who are Shareholders at 4:00 pm (Brisbane time) on Tuesday, 22 November 2011.

## Bodies Corporate

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of the Shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a Resolution.

## Proxies

In accordance with section 249L(1) of the Corporations Act, Shareholders are advised:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is entitled to exercise.

If multiple proxies are appointed but no proportion of votes is specified, each proxy shall be entitled to vote an equal proportion of the votes attached to the Shareholder's Shares.

In accordance with Section 250BA of the Corporations Act, the Company specifies the following address for receipt of completed proxy appointments:

Share Registry:           Advanced Share Registry Services Pty Ltd  
                                  150 Stirling Highway, Nedlands WA 6009, Australia  
                                  (or P.O Box 1156, Nedlands WA 6909, Australia)

Facsimile Number:       (08) 9389 7871

An instrument appointing a proxy must be received at the above specified address no later than 4.00pm (Brisbane time) on Tuesday, 22 November 2011. A completed proxy form may be sent by facsimile transmission to the number specified above and identified in the proxy form.

## Incorporation of Explanatory Memorandum

The Explanatory Memorandum to Shareholders attached to this Notice of Annual General Meeting, is hereby incorporated into and forms part of this Notice of Annual General Meeting.

By Order of the Board



David Gardner  
Company Secretary  
Dated 21 October 2011

**LIQUEFIED NATURAL GAS LIMITED**

**ABN 19 101 676 779**

**EXPLANATORY MEMORANDUM**

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**1. Annual Report**

Section 317 of the Corporations Act requires the reports of the Directors and of the auditors and the Annual Report, including the financial statements, to be put before the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the reports or statements however Shareholders will be given the opportunity to raise questions on the reports and the statements at the Annual General Meeting.

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**2. Resolution 1 – Adoption of Remuneration Report**

In accordance with section 250R(2) of the Corporations Act, the Company presents to Shareholders for their consideration and adoption by way of a non-binding Resolution the Company's Remuneration Report as disclosed in the Directors' Report for the financial year ending 30 June 2011.

The Remuneration Report includes all of the information required by section 300A of the Corporations Act, including:

- (a) Board policy for determining, or in relation to, the nature and amount (or value, as appropriate) of remuneration of the Key Management Personnel of the Company;
- (b) discussion on fixed and variable compensation;
- (c) key elements of the Company's securities trading policy; and
- (d) the prescribed details in relation to the remuneration of each Director and certain executives.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

Under recent changes to the Corporations Act, which came into effect on 1 July 2011, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings (**AGM**), Shareholders will be required to vote at the second of those AGMs (**Second AGM**) on a resolution that a further general meeting is held at which all of the Company's Directors (other than the Managing Director) must come up for re-election (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene an extraordinary general meeting (**Spill Meeting**) within 90 days of the Second AGM. All of the Directors of the Company who were in office when the resolution was passed to approve the Directors' Report that was put before the Second AGM, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but are eligible to stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

**Undirected proxies**

Pursuant to the Corporations Act, any undirected proxies held by the Chair of the Annual General Meeting cannot be voted on this Resolution and that Shareholder's vote will not be counted in relation to this Resolution. Accordingly, if you appoint the Chair of the meeting as your proxy, you must direct him how to vote on this Resolution if you want your Shares to be voted. The same will apply if you appoint any other Director of the Company, the Company Secretary or any other of its Key Management Personnel, details of whose remuneration is contained in the Remuneration Report, or any of their closely related parties.

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes the Directors of the Company (executive or otherwise) and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's Key Management Personnel for the financial year to 30 June 2011.

The **closely related parties** of a member of the Key Management Personnel are defined in the Corporations Act, and include:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth).

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### 3. Resolution 2 – Re-Election of Director

Rule 9.1(e) of the Constitution requires that at an Annual General Meeting one-third of Directors (excluding the Managing Director) for the time being shall retire from office. A retiring Director is eligible for re-election. Re-election is by way of ordinary resolution. In accordance with the Constitution, Norman Marshall retires as a Director of the Company and being eligible, offers himself for re-election as a Director of the Company. A brief biography of Mr Marshall is set out below.

**Mr Norman Marshall** – Director and Chief Financial Officer.

*MAppdFin, MAICD*

Norm Marshall has over 29 years experience in banking and finance, treasury management and contract negotiation, documentation and compliance work.

Norm had 20 years with the Commonwealth Bank of Australia and was the bank's Head of Institutional Banking, Western Australia from 1996 to 2001, being the investment banking arm of the bank responsible for all its corporate, project, financial institution and international clients.

Norm's banking and finance experience includes corporate, project and tax based financing, capital markets issues, treasury management, risk and financial analysis and management, credit management and recovery, business development, credit documentation and compliance and division budgeting and planning.

Norm was the former Chief Financial Officer and General Manager, Finance and Commercial for Portman Mining Limited. Responsibilities encompassed financial planning and budgeting, capital management, treasury management, business development, including mergers and acquisitions, project analysis and feasibility studies and contract negotiation, documentation and compliance.

Norm has been a Director of the Company since February 2004.

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### 4. Resolution 3 – Re-Election of Director

Rule 9.1(e) of the Constitution requires that at an Annual General Meeting one-third of Directors (excluding the Managing Director) for the time being shall retire from office. A retiring Director is eligible for re-election. Re-election is by way of ordinary resolution. In accordance with the Constitution, Leeanne Kay Bond retires as a Director of the Company and being eligible, offers herself for re-election as a Director of the Company. A brief biography of Ms Bond is set out below.

**Ms Leeanne Kay Bond** – Non Executive Director.

*BE (Chem), MBA, FIEAust, RPEQ, GAICD*

Leeanne is a professional company director with board roles in the energy and water sectors.

Leeanne has qualifications in engineering and management and over 20 years experience across a broad range of industrial sectors including energy, minerals, infrastructure and water resources.

From 1996 to 2006 Leeanne held a number of management roles with WorleyParsons in Queensland including General Manager Hydrocarbons and Development Manager (Qld), where she negotiated project alliances and supervised contracts and projects with many Australian and international companies.

Leeanne has been a Board member of the Queensland Bulk Water Supply Authority (Seqwater) since February 2008 and joined the Board of the Australian Water Recycling Centre of Excellence on 1 July 2011. She was a non-executive director of Tarong Energy Corporation for seven years until retiring on 30 June 2011 as part of the Queensland energy generator restructure. She is the sole director and owner of Breakthrough Energy Pty Ltd, a project and business development consulting firm.

Leeanne was named the Australian Professional Engineer of the Year by Engineers Australia in 2007 and received the Shedden Uhde Medal for services to the profession of Chemical Engineering in 2000.

Leeanne has been a Director of the Company since October 2009.

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### Glossary

**Company** means Liquefied Natural Gas Limited ABN 19 101 676 779.

**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 the explanatory memorandum to this Notice of Annual General Meeting.

**Notice of Annual General Meeting** means this Notice of Annual General Meeting and includes the Explanatory Memorandum and Proxy Form.

**Proxy Form** means the proxy form attached to this Notice of Annual General Meeting.

**Resolution** means a resolution contained in this Notice of Annual General Meeting.

**Share** means a fully paid ordinary share in the capital of the Company ranking equally with all other ordinary shares of the Company.

**Shareholder** means a registered member of the Company.

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# Proxy Form

## Liquefied Natural Gas Limited

ABN 19 101 676 779

**All correspondence to:**  
Advanced Share Registry Services  
150 Stirling Highway  
Nedlands, Western Australia 6009  
Australia  
Enquiries (within Australia) 08 9389 8033  
(outside Australia) 61 8 9389 8033  
Facsimile 61 8 9389 7871  
[www.advancedshare.com.au](http://www.advancedshare.com.au)



Sub-Register	CHESS
HIN / SRN	[REDACTED]

Mark this box with an "X" if you have made any changes to your address details (see reverse)

### Appointment of Proxy

I/We being a member/s of Liquefied Natural Gas Limited and entitled to attend and vote hereby appoint

the Chairman of  
the Meeting  
(mark with an 'X')

OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered security holder) 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 subject to relevant laws, as the proxy sees fit) at the Annual General Meeting of Liquefied Natural Gas Limited to be held at Sofitel Brisbane Central, Level 2, Bastille Room, 249 Turbot Street, Brisbane, Queensland on Thursday, 24 November 2011 at 4.00pm (Brisbane time) and at any adjournment of that meeting.

### Voting directions to your proxy – please mark to indicate your directions

- Resolution 1 – Adoption of the Remuneration Report.
- Resolution 2 – Re-Election of Director – Norman Marshall
- Resolution 3 – Re-Election of Director – Leeanne Kay Bond

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

\*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.

**PLEASE SIGN HERE** This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder 1

Sole Director and  
Sole Company Secretary

Security Holder 2

Director

Security Holder 3

Director/Company Secretary

.....  
Contact Name

.....  
Contact Daytime Telephone

..... / ..... / .....  
Date

## How to complete the Proxy Form

### 1 Your Address

This is your address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Security holders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

### 2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered security holder in the space.

### 3 Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each resolution. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, subject to relevant laws your proxy may vote as he or she chooses. If you mark more than one box on a resolution your vote on that resolution will be invalid.

**Important for Resolution 1:** If the Chair of the Meeting, a Director, the Company Secretary or any other member of the Key Management Personnel of the Company whose remuneration details are included in the Remuneration Report or a Closely Related Party of that member is your Proxy and you have not directed the proxy to vote on Resolution 1, the proxy will be prevented from casting your votes on Resolution 1. If the Chair, a Director, the Company Secretary or another member of the Key Management Personnel of the Company whose remuneration details are included in the Remuneration Report or a Closely Related Party of that member is your proxy, in order for your votes to be counted on Resolution 1, you must direct your proxy how to vote on Resolution 1.

### 4 Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

### 5 Signing Instructions

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

- Individual: where the holding is in one name, the holder must sign.
- Joint Holding: where the holding is in more than one name, all of the security holders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate security holder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

### Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 4.00pm (Brisbane time) on Tuesday, 22 November 2011. Any Proxy Form received after that time will not be valid for the scheduled meeting.

#### Documents may be lodged using the reply paid envelope or:

- IN PERSON Registered Office – Ground Floor, 5 Ord Street, West Perth WA 6005  
Share Registry – Advanced Share Registry Services, 150 Stirling Highway, Nedlands WA 6009 Australia
- BY MAIL Registered Office – Ground Floor, 5 Ord Street, West Perth WA 6005  
Share Registry – Advanced Share Registry Services, PO Box 1156, Nedlands WA 6909 Australia
- BY FAX 61 8 9389 7871