



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Greenearth Energy Limited will be held on **Tuesday 27th November 2012** at **1.00pm** at the offices of Baker & McKenzie, Level 19, 181 William Street, Melbourne

BUSINESS

ACCOUNTS & REPORTS

To receive and consider the Annual Financial Report of the Company and the related reports of the Directors and Auditor for the year ended 30 June 2012.

Resolution 1 - ELECTION OF MR MARK MILLER

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

"That Mr Mark Miller, a Director retiring in accordance with Article 19.5 of the Company's Constitution, and being eligible and having offered himself for election, be elected a Director of the Company"

Resolution 2 - ELECTION OF DR LESLIE ERDI OAM

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

"That Mr Leslie Erdi OAM, a Director retiring in accordance with Article 19.5 of the Company's Constitution, and being eligible and having offered himself for election, be elected a Director of the Company"

Resolution 3 - RE-ELECTION OF MR JOHN T KOPCHEFF

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

"That Mr John T Kopcheff, a Director who retires by rotation in accordance with Article 20.3 of the Company's Constitution, being eligible and having offered himself for re-election, be re-elected as a Director of the Company."

Resolution 4 - ADOPT THE REMUNERATION REPORT FOR THE YEAR ENDED 30TH JUNE 2012

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

"That the Remuneration Report for the Company (included in the Directors' Report) for the year ended 30th June 2012 be adopted."

Resolution 5 - PROPOSED ISSUE OF SHARES TO DIRECTOR, MR ROBERT J ANNELLS

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, the Company issue to Mr Robert J Annelles 2,647,143 ordinary shares in the capital of the Company, representing an approximate value of \$92,650, being Directors fees for the 2011/2012 financial year on the terms set out in the Explanatory Memorandum."

Resolution 6 - PROPOSED ISSUE OF SHARES TO DIRECTOR, MR JOHN T KOPCHEFF

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, the Company issue to Mr John T Kopchegg 1,557,143 ordinary shares in the capital of the Company, representing an approximate value of \$54,500, being Directors fees for the 2011/2012 financial year on the terms set out in the Explanatory Memorandum.”

Resolution 7 - PROPOSED GRANT OF OPTIONS TO FORMER MANAGING DIRECTOR, MR MARK MILLER

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

“That for the purposes of Listing Rule 10.11 and for all other purposes, the Company issue to Mr Mark Miller 5,000,000 Unlisted Options to subscribe for shares in the capital of the Company in recognition of Mr Miller’s contribution to the company while employed as Managing Director on the terms set out in the Explanatory Memorandum.”

Resolution 8 - PROPOSED GRANT OF OPTIONS TO NEW MANAGING DIRECTOR, MR SAMUEL MARKS

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

“That for the purposes of Listing Rule 10.11 and for all other purposes, the Company issue to Mr Samuel Marks 5,000,000 Unlisted Options to subscribe for shares in the capital of the Company on the terms set out in the Explanatory Memorandum.”

Resolution 9 - APPROVAL OF PREVIOUS ISSUES OF SHARES

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

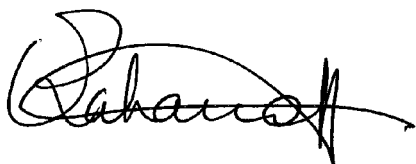
“That, for the purposes of Listing Rule 7.4 and for all other purposes, the previous issue by the Company of 2,046,257 ordinary shares in the capital of the Company on the basis set out in the Explanatory Memorandum accompanying this Notice of Meeting be approved and ratified.”

Resolution 10 - APPROVAL OF 10 % PLACEMENT CAPACITY UNDER LISTING RULE 7.1A

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

“That for the purposes of Listing Rule 7.1A and for all other purposes, the issue of up to 10% of the issued capital of the Company calculated in accordance with the formula prescribed in Listing Rule 7.1A, and on the terms and conditions set out in the Explanatory Memorandum, be approved.”

By order of the Board of Greenerth Energy Limited.



Vicki Kahanoff
Company Secretary
Dated 25 October 2012

Voting Exclusion Statement

Except to the extent otherwise permitted by law, the following persons may not vote, and the Company will disregard any votes cast by the following persons with regards to the below resolutions:

Resolution 4: Adoption of Remuneration Report

Any vote cast on the resolution (in any capacity) by a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member, unless the vote is cast:

- as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- by the Chairman of the meeting as proxy for a person entitled to vote in accordance with an express authority to vote undirected proxies as the Chairman sees fit..

Resolution 5: Issue of Shares to Director, Mr Robert J Annells

Any vote cast on the resolution by Mr Annells and his associates.

Resolution 6: Issue of Shares to Director, Mr John T Kopcheff

Any vote cast on the resolution by Mr Kopcheff and his associates.

Resolution 7: Issue of Options to Former Managing Director, Mr Mark Miller

Any vote cast on the resolution by Mr Miller and his associates.

Resolution 8: Issue of Options to Managing Director, Mr Samuel Marks

Any vote cast on the resolution by Mr Marks and his associates.

Resolution 9: Approval of Previous Issue of Shares

Any vote cast on the resolution by each of the persons and their associates who participated in the issues of shares as set out in the Explanatory Memorandum.

Resolution 10: Approval of 10% Placement Capacity under Listing Rule 7.1A

Any votes cast on this resolution by any person who may participate in the proposed issue or any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, and any associate of such person.

These voting exclusions do not apply if:

- the vote 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 Chairman as a proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

The Company will also disregard any vote cast on resolutions 4 to 9 inclusive by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member, unless the vote is cast:

- as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- by the Chairman of the meeting as proxy for a person entitled to vote in accordance with an express authority to vote undirected proxies as the Chairman sees fit.

Definitions:

ASX means ASX Limited.

closely related parties are defined in the Corporations Act to include the spouses, dependants, certain other close family members of the members of Key Management Personnel as well as any companies controlled by such a member.

Company means Greenearth Energy Limited.

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

Key Management Personnel means those persons described as such in the Remuneration Report.

Shares means fully paid ordinary shares in the capital of the Company.

Proxies and Other Information

A shareholder who is entitled to attend and vote at the meeting has a right to appoint a proxy. The proxy need not be a member of the Company. If a shareholder is entitled to cast two or more votes at the meeting, that shareholder may appoint two proxies and may specify the proportion of the votes that each proxy is appointed to exercise. Where two proxies are appointed, but the appointments do not specify the proportion of votes which each proxy may exercise, each proxy may exercise half of the votes (fractions being disregarded).

If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting on that resolution as they think fit. If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority. Shareholders who return their proxy forms with a direction on how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, or does not vote on the resolution, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions.

Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction on how to vote will be used where possible to support each of the resolutions proposed in this Notice of Meeting.

The Key Management Personnel of the Company (being those persons described as such in the Remuneration Report) and their closely related parties will not be able to vote proxies on Resolutions 4 to 9 inclusive unless shareholders direct them how to vote. If shareholders intend to appoint a member of the Key Management Personnel as their proxy, please ensure that they direct them explicitly how to vote on Resolutions 4 to 9 inclusive. If a shareholder intends to appoint the Chairman of the meeting as your proxy, you can direct and expressly authorize him or her to vote by either marking the relevant box for Resolutions 4 to 9 inclusive or by marking the Chairman's box on the proxy form (in which case the Chairman of the meeting will vote in favour of these items of business).

Documents appointing a proxy may be lodged the Company's share registry by using one of the following methods:

Fascimile: (within Australia) 1800 783 447
(Outside Australia) +61 3 9473 2555

Mail: Computershare Investor Services Pty Limited
GPO Box 242
Melbourne Victoria, 3001

By Hand: Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford Vic 3067

Online: For Intermediary Online Users (custodians) only at: www.intermediaryonline.com

An appointment of a proxy will not be valid unless the proxy's appointment, and (if relevant) the Power of Attorney or other authority under which it is signed (or a certified copy of that power or authority), are received by the Company at its registered office, or at one of the addresses or the fax number set out above, at least 48 hours before the meeting.

In accordance with the Corporations Act, the Directors have determined that, for the purposes of the meeting all shares in the Company are to be taken as being held by the persons who held them at 1.00 pm (AEDT) 25 November 2012. For the purposes of the meeting transfers registered after that time will be disregarded. This determination applies to all shares which are quoted shares at the specified time.



EXPLANATORY MEMORANDUM

This Explanatory Memorandum should be read in conjunction with the Notice of Meeting. Each Director recommends that shareholders vote in favour of each resolution (except if the Director has an interest in the resolution and is excluded from voting on the resolution pursuant to the voting exclusion statement in the Notice of Meeting).

ACCOUNTS & REPORTS

The Corporations Act requires the financial report and the reports of the Directors and the auditor to be received and considered before the Annual General Meeting. Accordingly, the reports for the year ended 30 June 2012 will be presented for consideration by shareholders. No resolution is required on these reports.

In accordance with the Corporations Act, you may choose not to receive a hard copy of the Annual Report by contacting the Company's Share Registry, Computershare Investor Services Pty Limited, by phone on 1300 859 505 (within Australia) or +61 3 9415 5000, and you may request that this occurs on a standing basis for future years. If you choose not to receive a hard copy of the Annual Report, you may access it at the Company's website: www.greenearthenergy.com.au.

Resolution 1: ELECTION OF MR MARK MILLER

Mr Mark Miller was appointed by the Directors as an additional non-executive director on 1 July 2012 in accordance with the Company's Constitution. Mr Miller retires in accordance with Article 19.5 of the Company's Constitution and, being eligible, offers himself for election.

Mr Miller was the Managing Director for the Company since his appointment in September 2008. He has had extensive senior management experience across a number of industries both domestically and internationally including downstream oil marketing, consumer products manufacturing and distribution, banking and finance as well as environmental technology. During Mr Miller's tenure as Managing Director, the company defined its flagship geothermal project, the Geelong Geothermal Power Project and successfully secured a combined \$32 million in state and commonwealth funding. Mr Miller also implemented the company diversification strategy by the introduction of a number of aligned renewable energy technologies.

The directors of the Company unanimously recommend that shareholders vote in favour of this resolution.

Resolution 2: ELECTION OF DR LESLIE ERDI, OAM

Dr Leslie Erdi OAM was appointed by the Directors as an additional non-executive director on 1 July 2012 in accordance with the Company's Constitution. Dr Erdi retires in accordance with Article 19.5 of the Company's Constitution and, being eligible, offers himself for election.

Dr. Erdi arriving in Australia in 1954, established himself as an innovative leader in the Melbourne property development and retailing scene. Dr. Erdi currently owns and manages eight hotels in Victoria, New South Wales and Queensland. Dr. Erdi has a proven track record of heritage building restoration in Melbourne as well as being involved in a number of high profile community projects ranging from street widening and city streetscape design to sporting and aged care facility design and development. Dr. Erdi has been a contributor to Melbourne and Monash Universities as well as Melbourne's Peter McCallum Cancer Institute. Internationally Dr. Erdi has and continues to support a range of projects and charities in Israel. Dr. Erdi has been recognised for his contributions to community by being awarded an Order of Australia and Monash University has recognised his contributions to medical research with an Honorary Doctorate of Laws. Dr. Erdi is the owner of Erdi Fuels, who has invested in Greenearth Energy's joint venture NewCo2Fuels Limited.

The directors of the Company unanimously recommend that shareholders vote in favour of this resolution.

Resolution 3: RE-ELECTION OF MR JOHN T KOPCHEFF

In accordance with Article 20.3 of the Company's Constitution, Mr Kopcheff retires by rotation and, being eligible, offers himself for re-election as a Director.

Mr Kopcheff has been a director since the Company's inception. He is a geologist and geophysicist, and holds a Bachelor of Science (Honours) from the University of Adelaide (1970). He has extensive petroleum experience in Australia, South East Asia, USA, South America and the North Sea, both in field operations and management. Mr Kopcheff held the position of Managing Director of Victoria Petroleum Ltd from August 1984 until late July 2010 and continued on their board as Executive Director until resigning on 22 September 2010. He was also a non executive director of Great Panther Silver Limited from August 2001 through to 30 June 2012 when he resigned from the position. Mr Kopcheff is the Chairman of the Audit Committee.

Resolution 4: REMUNERATION REPORT

Under the Corporations Act, a listed entity is required to include, in the Directors' Report a detailed Remuneration Report setting out certain prescribed information relating to Directors' and Executives' remuneration, and submit this for adoption by resolution of members at the Annual General Meeting. This Remuneration Report can be found at pages 16 to 20 of the 2012 Annual Report. It sets out a range of matters relating to the remuneration of directors and other Key Management personnel of the Company.

Shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Under the Corporations Act, a listed entity is required to put to the vote a resolution that the Remuneration Report be adopted. Whilst the resolution must be put to a vote, the resolution is advisory only and does not bind the Directors or the Company. However if at least 25% of votes are cast against the resolution at two consecutive annual general meetings (this did not occur last year), this rule requires that a 'board spill resolution' be put to shareholders. If the board spill resolution is passed, the Company is required to hold a further meeting of shareholders within 90 days to consider replacing those directors (other than the managing director) in office at the time the remuneration report was approved by the board.

Resolution 5: PROPOSED ISSUE OF SHARES TO DIRECTOR, MR ROBERT J ANNELLS

Shareholder approval is being sought in Resolution 5 in relation to the issue of 2,647,143 fully paid ordinary shares in the capital of the Company, representing a value of approximately \$92,650, to Mr Robert J Annells. The value of the shares is based on an issue price of 3.5 cents per share, which was the closing price of the Company's shares on 24 October 2012, the day before the date of the Notice of Meeting. The shares will be issued to Mr Annells, the current Chairman of the Company, in lieu of Directors fees and associated superannuation which the Company owes to Mr Annells for the period 1 July 2011 to 30 June 2012. Mr Annells is entitled to annual remuneration of \$85,000 plus superannuation. It is proposed that Mr Annells is remunerated by way of shares instead of cash to assist in conserving cash reserves of the Company.

No funds will be raised by the Company from the issuing of these shares to Mr Annells as they are being issued in lieu of a cash payment of Directors fees. No escrow arrangements will apply to the shares. Mr Annells and his associates currently hold 3,665,740 shares in the capital of the Company.

If approval is given, approval is not required to be given under Listing Rule 7.1 and the shares issued to Mr Annells will not use up any of the Company's share placement capacity. If approved by shareholders, the shares will be issued no later than 1 month after the date of the meeting.

Resolution 6: PROPOSED ISSUE OF SHARES TO DIRECTOR, MR JOHN T KOPCHEFF

Shareholder approval is being sought in Resolution 6 in relation to the issue of 1,557,143 fully paid ordinary shares in the capital of the Company, representing a value of approximately \$54,500, to Mr John T Kopcheff. The value of the shares is based on an issue price of 3.5 cents per share, which was the closing price of the Company's shares on 24 October 2012, the day before the date of the Notice of Meeting. The shares will be issued to Mr Kopcheff, an executive director of the Company, in lieu of Directors fees and associated superannuation which the Company owes to Mr Kopcheff for the period 1 July 2011 to 30 June 2012. Mr Kopcheff is entitled to annual remuneration of \$50,000 plus superannuation. It is proposed that Mr Kopcheff is remunerated by way of shares instead of cash to assist in conserving cash reserve of the Company.

No funds will be raised by the Company from the issuing of these shares to Mr Kopcheff as they are being issued in lieu of a cash payment of Directors fees. No escrow arrangements will apply to the shares. Mr Kopcheff, and his associates currently hold 3,762,905 shares in the capital of the Company.

If approval is given, approval is not required to be given under Listing Rule 7.1 and the shares issued to Mr Kopcheff will not use up any of the Company's share placement capacity. If approved by shareholders, the shares will be issued no later than 1 month after the date of the meeting.

Resolution 7: PROPOSED ISSUE OF OPTIONS TO FORMER MANAGING DIRECTOR, MR MARK MILLER

Approval is sought under Listing Rule 10.11 and for all other purposes, for the proposed grant of options to former Managing Director, Mr Mark Miller in recognition of the contribution made by Mr Miller during his period of employment as Managing Director. The board of Directors is seeking approval to issue and allot to Mr Miller or his nominee 5,000,000 unlisted options, for nil consideration, at the exercise price of 15 cents and with an expiry date of 30 September 2017.

The options will not be quoted on ASX and accordingly have no readily identifiable market value. The options will be valued for accounting purposes by the Directors using the principles set out in AASB 2 "Share based Payment" and the Black Scholes method once the options have been approved and granted.

Mr Miller and his associates currently hold 2,350,000 ordinary shares in the capital of the Company.

Until exercised, the grant of options will not impact on the number of ordinary shares on issue in the Company. If all the proposed options were exercised, an additional 5,000,000 fully paid shares would be issued. Any funds raised from the exercise of the options will be applied towards working capital and cash requirements of the Company at the time of exercise of options.

If shareholders approve Resolution 8, the options issued to Mr Miller will not use up any of the Company's share placement capacity. If approved by shareholders, the options will be issued no later than 1 month after the date of the meeting.

Resolution 8: PROPOSED ISSUE OF OPTIONS TO MANAGING DIRECTOR, MR SAMUEL MARKS

Approval is sought under Listing Rule 10.11 and for all other purposes, for the proposed grant of options to Managing Director, Mr Samuel Marks as part of his remuneration package. The board of Directors and Mr Marks are currently in discussion over the terms of Mr Marks employment as Managing Director. The remuneration package will consist of a base salary package, required superannuation component, provision of a performance bonus and the grant of unlisted options as an incentive to vigorously pursue and fulfill the company's stated objectives. At the date of the Notice of Meeting, no remuneration package had been agreed by the parties, however the board is seeking shareholder approval to grant the unlisted options upon the agreement of a equitable remuneration package.

The board of Directors is seeking approval to issue and allot to Mr Marks or his nominee 5,000,000 options, for nil consideration, with the following parameters:

Number of Options	Exercise Price	Expiry Date
2,000,000	10 cents per option	30 September 2017
3,000,000	15 cents per option	30 September 2017

The options will not be quoted on ASX and accordingly have no readily identifiable market value. The options will be valued for accounting purposes by the Directors using the principles set out in AASB 2 "Share based Payment" and the Black Scholes method once the options have been approved and granted.

Mr Marks and his associates currently do not hold any shares or options in the capital of the Company.

Until exercised, the grant of options will not impact on the number of ordinary shares on issue in the Company. If all the proposed options were exercised, an additional 5,000,000 fully paid shares would be issued. Any funds raised from the exercise of the options will be applied towards working capital and cash requirements of the Company at the time of exercise of options.

If shareholders approve Resolution 9, the options issued to Mr Marks will not use up any of the Company's share placement capacity. If approved by shareholders, the options will only be issued upon the completion of a remuneration package and within 1 month after the date of the meeting.

Resolution 9: APPROVAL OF PREVIOUS ISSUES OF SHARES

ASX Listing Rule 7.1 restricts the number of securities which a listed company may issue in any twelve month period without the approval of shareholders to 15% of the number of shares on issue at the start of the period, subject to certain adjustments and permitted exceptions. This resolution seeks shareholder approval of the previous issue of shares in the Company for the purposes of Listing Rule 7.4. The approval of this resolution will enable the Company at any time in the next twelve months to issue up to the maximum extent permitted without further reference to shareholders, thereby providing the Company with flexibility in meeting any short-term requirements for raising additional capital should it be necessary.

Approval is sought for the shares which were issued during the year detailed as follows:

- On 18 October 2011 the Company issued 2,033,750 fully paid ordinary shares in the capital of the Company to Advance Publicity Pty Ltd as payment for lease of land, storage costs and consultancy services provided by Advance Publicity Pty Ltd at an issue price of 8 cents per share.
- On 2 August 2012 the Company issued 12,500 fully paid ordinary shares in the capital of the Company to Mr Robert Maxwell Cannon on the exercise of unlisted incentive options at an issue price of 5 cents per share.
- On 2 August 2012 the Company issued 7 fully paid ordinary shares in the capital of the Company to Mr C Lindsay on the exercise of unlisted incentive options at an issue price of 5 cents per share.

Resolution 10: APPROVAL OF 10% PLACEMENT CAPACITY UNDER LISTING RULE 7.1A

Background

Under Resolution 11, the Company is seeking shareholder approval to create an ability to issue up to an additional 10% of the issued share capital of the Company under ASX Listing Rule 7.1A, which has recently been inserted into the Listing Rules.

Listing Rule 7.1A enables eligible entities, subject to shareholder approval by way of a special resolution, to issue up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement facility is in addition to the company's 15% placement capacity under Listing Rule 7.1

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

Under Resolution 11 the Company is now seeking shareholder approval by way of a special resolution, which requires approval of 75% of the votes cast by shareholders present and eligible to vote, to have the ability to issue securities under the 10% Placement Facility. The only securities that the 10% Placement Facility can cover are existing quoted securities, namely ordinary fully paid shares.

Formula for calculating the 10% Placement Capacity

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the following formula prescribed in the Listing Rule 7.1A.2:

(A x D) - E

- A** has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity;
- D** is 10%; and
- E** is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A 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 Company continues actively seeking to acquire more capital and may use the 10% Placement Facility to acquire this capital.

As at the date of this Notice of Meeting, the Company has 112,350,680 shares in issue and therefore, in addition to any other shares which it can issue under the permitted exceptions to Listing Rules 7.1 and 7.1A, it has the capacity to issue:

- 16,852,602 shares under Listing Rule 7.1; and
- subject to shareholder approval being obtained under Resolution 11, 11,235,068 shares under Listing Rule 7.1A.

The actual number of shares that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the shares in accordance with the formula in Listing Rule 7.1A.2.

Minimum issue price

In accordance with Listing Rule 7.1A, shares issued by the Company under a 10% Placement Facility can only be issued at a price that is not less than 75% of the VWAP (volume weighted average price) of the shares calculated over the 15 trading days on which trades in its shares were recorded immediately before:

- the date on which the issue price of the shares is agreed; or
- the issue date (if the shares are not issued within five trading days of the date on which the issue price is agreed).

Placement period

Shareholder approval under Listing Rule 7.1A is valid from the date of this Annual General Meeting until the earlier to occur of:

- 12 months after the date of the Annual General Meeting; and
- the date of approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX.

Shareholder approval under Listing Rule 7.1A does not lapse if the Company's market capitalisation subsequently exceeds \$300 million or if it is included in the S&P/ASX 300 Index at some time during that period provided that the Company meets those criteria on the date of the Annual General Meeting.

Dilution to existing shareholdings

If Resolution 11 is approved by Shareholders and the Company issues Shares under the 10% Placement Facility there is a risk of economic and voting dilution to existing Shareholders as a result. Further, as the market price of the Company's shares may be significantly lower on the issue date than on the date of Annual General Meeting approval, and because the Shares may be issued at a price that is at a discount to the market price on the issue date, there is a risk that the 10% Placement Facility may raise less funding than it would based on current market prices.

As required by Listing Rule 7.3A.2, the table below shows a number of hypothetical scenarios for a 10% Placement Facility where variable "A" in the formula in Listing Rule 7.1A.2 (representing the Company's share capital) has increased by either 50% or 100%, and the share price has decreased by 50% or increased by 100% from the approximate share price as at the date of this Notice of Meeting.

Dilution table

Share Capital (Variable 'A' in Listing Rule 7.1A.2)		Dilution table		
		\$0.017 50% decrease in Issue Price	\$0.035 Issue Price	\$0.07 100% increase in Issue Price
Current 112,350,680 Shares	Number of Shares	11,235,068	11,235,068	11,235,068
	Funds raised	\$190,996	\$393,227	\$786,455
50% increase 168,526,020 Shares	Number of Shares	16,852,602	16,852,602	16,852,602
	Funds raised	\$286,494	\$589,841	\$1,179,682
100% increase 224,701,360 Shares	Number of Shares	22,470,136	22,470,136	22,470,136
	Funds raised	\$381,992	\$786,455	\$1,572,909

The dilution table has been prepared on the following hypothetical assumptions. The Company does not represent that they will necessarily occur:

- (a) the Company issues the maximum number of shares available under the 10% Placement Facility;
- (b) any increase in Variable A (being the issued share capital at the time of issue) is due to an issue of shares which is an exception in Listing Rule 7.2, for example a pro-rata rights issue. However, a 15%

placement under Listing Rule 7.1 does not increase variable "A" for the purposes of calculating the placement capacity under Listing Rule 7.1A;

- (c) the table shows only the effect of issues of shares under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1;
- (d) the table does not show the dilution that may be caused to any particular shareholder by reason of placements under Listing Rule 7.1A, based on that shareholder's holding at the date of the Annual General Meeting. For instance, shareholders will have different outcomes depending on whether or not they participate in a pro-rata issue which has the effect of increasing variable "A"; and
- (e) the current share price is assumed to be \$0.035, being the share price on 24 October 2012 immediately prior to finalising this Notice of Meeting.

Purpose of the 10% Placement Facility

The Company may seek to issue shares under the 10% Placement Facility for either:

- a cash issue price. In this case, the Company may use the funds for working capital or for other corporate purposes; or
- non-cash consideration, such as for the acquisition of new assets or investments, subject to any applicable ASX requirements.

In either case, the cash issue price or the value of the non-cash consideration must comply with the minimum issue price noted above.

Allocation policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue under the 10% Placement Facility. The identity of the allottees under the 10% Placement Facility will be determined on a case by case basis having regard to the factors including the following:

- the methods of raising funds that are available to the Company, including a rights issue or other issue in which existing shareholders can participate;
- the effect of the issue of the Shares on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisors (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting and may include existing substantial shareholders and/or new shareholders, but the allottees cannot include any directors, related parties or associates of a related party of the Company without a further specific shareholder approval.

Voting exclusion

A voting exclusion statement is included in the Notice of Meeting. At the date of the notice, the Company has not approached any particular existing shareholder or an identifiable class of existing shareholders to participate in the issue of any shares.

Previous approval

The Company has not previously obtained Shareholder approval under Listing Rule 7.1A.

Recommendation

The Directors believe that Resolution 11 will provide the Company with additional flexibility to raise capital quickly if advantageous terms are available, and is in the best interests of the Company. The Directors recommend that Shareholders vote in favour of this Resolution.

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

000001 000 GER
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

 For your vote to be effective it must be received by 1.00pm (AEDT) Sunday, 25 November 2012

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
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 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



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I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf XX

I/We being a member/s of Greenearth Energy Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

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 Annual General Meeting of Greenearth Energy Limited to be held at the offices of Baker & McKenzie, Level 19, 181 William Street, Melbourne on Tuesday, 27 November 2012 at 1.00pm (AEDT) 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 Resolutions 4 and 5 (except where I/we have indicated a different voting intention below) even though Resolutions 4 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: For Resolution 5, this express authority is also subject to you marking the box in the section below. 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 Resolutions 4 and 5 by marking the appropriate box in step 2 below.

Important for Resolution 5: If the Chairman of the Meeting is your proxy and you have not directed the Chairman how to vote on Resolution 5 below, please mark the box in this section. If you do not mark this box and you have not otherwise directed your proxy how to vote on Resolution 5, the Chairman of the Meeting will not cast your votes on Resolution 5 and your votes will not be counted in computing the required majority if a poll is called on this item. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 5 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my/our proxy even if the Chairman has an interest in the outcome of Resolution 5 and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business 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			For	Against	Abstain
Resolution 1	Election of Mr Mark Miller as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 6	Proposed Issue of Shares to Director, Mr John T Kopcheff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Dr Leslie Erdi OAM as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 7	Proposed Grant of Options to Former Managing Director, Mr Mark Miller	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr John T Kopcheff as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 8	Proposed Grant of Options to Managing Director, Mr Samuel Marks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 9	Approval of Previous Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Proposed Issue of Shares to Director, Mr Robert J Annells	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 10	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 <input style="width: 250px; height: 25px;" type="text"/> Sole Director and Sole Company Secretary	Securityholder 2 <input style="width: 250px; height: 25px;" type="text"/> Director	Securityholder 3 <input style="width: 250px; height: 25px;" type="text"/> Director/Company Secretary
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Contact Name _____ Contact Daytime Telephone _____ Date ____/____/____



A.C.N. 120 710 625



┌ 000001 000 GER
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in Greenearth Energy Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Securityholder Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

Greenearth Energy Limited