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**FISSION ENERGY LTD  
ACN 119 057 457**

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**NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS**

**EXPLANATORY MEMORANDUM**

**AND**

**PROXY FORM**

**TO BE HELD ON**

**28 NOVEMBER 2008  
COMMENCING AT 9:30 AM**

**AT**

**Level 40, Exchange Plaza,  
2 The Esplanade, Perth  
WESTERN AUSTRALIA**

# FISSION ENERGY LTD

(ACN 119 057 457)

## NOTICE OF MEETING

Notice is hereby given that an Annual General Meeting of shareholders of Fission Energy Ltd (the Company) will be held at Level 40, Exchange Plaza, 2 The Esplanade, Perth on Friday the 28<sup>th</sup> of November 2008 at 9:30am ("Meeting").

### AGENDA

#### 1. Annual Accounts

To table the Financial Statements for the year ended 30 June 2008 and the related Director's Report, Director's Declaration and Audit Report thereon.

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

To consider, and if thought fit pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That for the purposes of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Company be authorised to adopt the Remuneration Report contained in the 2008 Annual Report".*

**Short Explanation:** In accordance with section 250R(3) of the Corporations Act 2001, a resolution that the remuneration report be adopted must be put to the vote. The vote on this resolution is advisory only and does not bind the Directors of the Company.

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

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

*"That Mr Douglas Howard Solomon being a director of the Company who retires by rotation pursuant to the Company's Constitution, and being eligible offers himself for re-election and is hereby re-elected a director of the Company."*

**Short Explanation:** Pursuant to the Company's Constitution, one third of the Company's directors must retire at each Annual General Meeting. A director who retires in accordance with the Constitution is eligible for re-election.

#### 4. Resolution 3 – Ratification of Issue of Shares by Directors

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

*"That, for the purpose of ASX Listing Rules 7.1 and 7.4 and for all other purposes, to ratify the placement by the directors on 6 October 2008 of 6,250,000 fully paid ordinary shares in the Company ("the Shares") to Australian institutional and sophisticated investors (being persons to whom a disclosure document is not required to be provided by virtue of sections 708(8) and 708(11) of the Corporations Act 2001 ("the Act")) at an issue price of \$0.16 per Share raising a total of \$1,000,000.00 An underwriting services fee of 6% was payable in respect of the funds raised. The funds raised are being used to provide further funds to meet the Company's ongoing working capital requirements."*

**Note:** The Company will disregard any votes cast on Resolution 3 by the various recipients of the share issues referred to in Resolution 3 or an associate of any of these recipients.

However, the Company will not disregard the vote if:

- (a) it is cast by a person as 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 the directions on the proxy form to vote as the proxy decides.

**General:**

To transact any business which may be brought before the meeting in accordance with the Constitution of the Company, the Corporations Act 2001, or otherwise.

**PROXIES**

In accordance with Section 249L of the Corporations Act, members are advised:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company;
- a member 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 appointed to exercise.

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

By post or hand delivery to the Registered Office:

Level 40, Exchange Plaza, 2 The Esplanade, Perth , Western Australia 6000

By Post to

Level 40, Exchange Plaza, 2 The Esplanade, Perth , Western Australia 6000  
or PO Box Z5360, St Georges Terrace Perth Western Australia 6831

Facsimile Number: (08) 9282 5866

Each shareholder entitled to vote at the Annual General Meeting has the right to appoint a proxy to vote on each particular resolution. The shareholder may specify the way in which the appointed proxy is to vote on a particular resolution or may allow the appointed proxy to vote at its discretion. The instrument appointing the proxy must be received by the Company as provided in its Constitution no later than 48 hours prior to the time of the commencement of the Annual General Meeting. This proxy form may be sent by facsimile transmission to the number identified on the proxy form.

A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with, or presented to the Company before the meeting.

For the purposes of Regulation 7.11.37 of the Corporations Regulations the Company determines that members holding ordinary shares at 5.00pm WST on 26 November 2008 will be entitled to attend and vote at the Annual General Meeting.

Please note all defined terms used in this Notice of Meeting have the meanings set out in the glossary of the Explanatory Memorandum accompanying this Notice.

**By Order of the Board of Directors**



R F Buscall  
Secretary

Dated this 24th day of October 2008

**FISSION ENERGY LTD**  
(ACN 119 057 457)

**EXPLANATORY MEMORANDUM FOR SHAREHOLDERS**

This Explanatory Memorandum is intended to provide shareholders of the Company with sufficient information to assess the merits of each Resolution contained in the accompanying Notice of Annual General Meeting of the Company.

The Directors recommend that shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions. The following information should be noted in respect of the various matters contained in the accompanying Notice of Meeting.

**1 – RECEIVE AND CONSIDER THE FINANCIAL STATEMENTS AND REPORTS**

The first item of the Notice is to receive and consider the annual financial reports and accounts of the Company for the year ended 30 June 2008. No resolution is required in respect of this agenda item. However, it provides Shareholders with the opportunity to ask questions of the Company's directors and auditors in relation to the Company's results and operations for the financial year.

**2 – REMUNERATION REPORT**

The Annual Report for the year ended 30 June 2008 contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Pursuant to section 250R(3) of the Corporations Act, the Shareholder vote is advisory only and will not require the Company to alter any arrangements detailed in the Remuneration Report, should the Resolution not be passed.

**3 – RE-ELECTION OF DIRECTOR**

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

Mr Solomon has been a Board member since 3 April 2003. A Barrister and Solicitor with more than 20 years experience in the areas of mining, corporate, commercial and property law. He is a partner in the legal firm, Solomon Brothers. He is also a non executive director of Tasman Resources NL and Eden Energy Ltd.

The Board recommends that shareholders approve this Resolution.

**4 – RATIFICATION OF ISSUE OF SHARES**

On 6 October 2008 the Company issued 6,250,000 ordinary fully paid shares in the Company ("Shares"). The funds raised are being used to provide further funds to meet the Company's ongoing working capital requirements.

Details of this resolution are contained in the Notice of Extraordinary General Meeting.

**GLOSSARY OF TERMS**

In this Explanatory Memorandum and accompanying Notice of Meeting the following words and expressions have the following meanings:

"**ASX**" means Australian Securities Exchange Limited;

"**Board**" means the board of directors of the Company;

"**Company**" or "**Fission**" means Fission Energy Ltd (ACN 119 057 457);

"**Corporations Act**" means Corporations Act 2001 (Cth);

"**Director**" means a director of the Company;

"**Explanatory Memorandum**" means the information attached to the Notice of Meeting which provides information to shareholders about the resolutions contained in the Notice of Meeting;

"**Notice**" or "**Notice of Meeting**" means the notice of meeting which accompanies this Explanatory Memorandum; and

"**shares**" means fully paid ordinary shares in the capital of the Company.



## INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed either in accordance with the Constitution of the company or under the hand of an officer of the company or its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by all of the joint shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this Annual General Meeting, that is by 9:30am WST on 26 November 2008, by post or facsimile to the respective addresses stipulated in this proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
  - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
  - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
  - (c) if the proxy is Chairperson, the proxy must vote on a poll and must vote that way, and
  - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, or acts as proxy for any other shareholder, the proxy can cast any votes the proxy holds as a shareholder or as proxy for any other shareholder in any way that the proxy, or that other shareholder, sees fit.

7. The Chairperson intends to vote in favour of all resolutions set out in the Notice of Annual General Meeting.