



EMERALD OIL & GAS NL
ACN 009 795 046

**NOTICE OF GENERAL MEETING
AND
EXPLANATORY MEMORANDUM
TO SHAREHOLDERS**

**FOR A GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON
WEDNESDAY, 9 MAY 2012 AT
52 ORD STREET, WEST PERTH,
WESTERN AUSTRALIA AT 9.00 AM**

You are encouraged to attend the meeting, but if you cannot, you are requested to complete and return the enclosed Proxy Form without delay to PO Box 902, West Perth, Western Australia, 6872, or by facsimile to +618 9482 0505.

NOTICE IS HEREBY GIVEN that a meeting of the members of Emerald Oil & Gas NL ("**Emerald**" or "**the Company**") will be held on the date and at the location and time specified below:

DATE: 9 May 2012
LOCATION: 52 Ord Street, West Perth, Western Australia
TIME: 9.00 am

BUSINESS

The business to be transacted at the General Meeting is the proposal of the Resolution set out below:

RESOLUTION 1 ~ Ratification of Share Issue

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

"That for the purposes of ASX Listing Rule 7.4 and all other purposes, the Shareholders hereby ratify and authorise the allotment and issue of 113,481,085 fully paid ordinary Shares to sophisticated and institutional investors on such terms and conditions as set out in the Explanatory Memorandum."

Voting Exclusion Note:

In accordance with ASX Listing Rule 7.5.6 and 14.11, the Company will disregard any votes cast on this resolution by a person who participated in the issue (as listed in Section 2 of the Explanatory Memorandum) and by any associate of those persons.

Where a voting exclusion applies, 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 to vote as the proxy decides.

EMERALD OIL & GAS NL

ACN 009 795 046

NOTICE OF MEETING

DATED 5 April 2012.



MIKE KRZUS

Director

NOTES

A member entitled to vote at this Meeting is entitled to appoint a proxy to attend and vote for the member at the Meeting. A proxy need not be a member. If the member is entitled to cast 2 or more votes at the Meeting the member may appoint 2 proxies. If a member appoints 2 proxies and the appointment does not specify the proportion or number of the members votes each proxy may exercise, each proxy may exercise half of the votes. A proxy form is attached at the back of this booklet.

Pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that the shareholding of each shareholder for the purposes of ascertaining voting entitlements for the Meeting will be as it appears in the share register of the Company at 9.00 am (Sydney time) on 8 May 2012.

EMERALD OIL & GAS NL

ACN 009 795 046

EXPLANATORY MEMORANDUM TO SHAREHOLDERS

This Explanatory Memorandum forms part of a Notice convening a General Meeting of Shareholders of the Company to be held at 9.00am on Wednesday, 9 May 2012 at 52, Ord Street, West Perth. This Explanatory Memorandum is to assist Shareholders in understanding the background to and the legal and other implications of the Notice and the reasons for the Resolutions proposed.

1. BACKGROUND

On 16 December 2011 the Company announced its intention to raise approximately \$3,500,000 by the proposed issue of Shares at 3.0 cents per Share and within the 15% capacity available under Listing Rule 7.1.

In total, 113,481,085 Capital Raising Shares were issued and allotted between 23 December 2011 and 22 March 2012 to sophisticated and institutional investors and none of the allottees were related parties of the Company.

The funds raised from these issues are to be used to appraise, develop and deliver production from the Company's Green River Basin shale oil and gas projects in the United States of America, and the majority of the Shares were issued to investors in the United States.

2. RESOLUTION 1 – Ratification of Share Issue

Listing Rule 7.1 limits the capacity of the Company to issue securities without the approval of its shareholders. In broad terms, that rule provides that a company may not, within a 12 month period, issue securities equal to more than 15% of the total number of ordinary securities on issue at the beginning of the 12 month period unless the issue is approved by shareholders or the issue otherwise comes within one of the exceptions to listing rule 7.1.

The Capital Raising Shares described in Section 1 were issued within the 15% limit permitted under Listing Rule 7.1 without Shareholder approval. Ratification of this issue by Shareholders is now sought under listing rule 7.4 to restore the Company's 15% placement capacity.

The Company raised \$3,085,423 before costs from this issue. The funds will be used to continue the exploration and development of the Company's Green River Basin shale oil and gas projects in the United States of America and for working capital purposes.

The terms of the Capital Raising Shares are the same as the terms of all other issued Shares in the capital of the Company and they ranked, from the date of allotment, equally in all respects with all other issued Shares in the capital of the Company.

In compliance with Listing Rule 7.5, Shareholders are hereby advised as follows:

Specific Information Required By Listing Rule 7.5

The number of securities allotted

113,481,085 Shares were issued.

The price at which the securities were issued

The issue price for 102,847,446 of the Capital Raising Shares was 3.0 cents per Share. 10,633,639 of the Capital Raising Shares were issued for a deemed issue price of 3.0 cents per Share in lieu of transaction fees.

The terms of the securities

The Capital Raising Shares the subject of Resolution 1 are fully paid ordinary Shares and they rank equally in all respects with all other issued Shares in the capital of the Company.

The names of the allottees or the basis on which allottees were determined

Allottee	No of Shares
Balantrove Master Fund	11,600,000
Mr Jim E Kinard Jr	2,500,000
Mr Steve Heinemann	6,573,645
Mr Mark Sullivan	1,673,802
Trafalgar HK	3,333,333
Trafalgar Copley	8,333,333
Boodell & Co	2,500,000
Mr Mark Sullivan & Mrs Joan Sullivan	83,690
Churbro Holdings Limited	1,162,016
Rodman & Renshaw LLC	6,571,533
Mr Reid Rubinstein	938,800
Mr Steve Lee	938,800
Mr Edward Kovalik	938,800
Platinum Partners Value Arbitrage Fund	8,000,000
Bergen Global Opportunity Fund LP	8,333,333
Acumen Engineering Pty Ltd	1,283,334
AMB Holdings Pty Ltd	1,300,000
Bluedale Pty Ltd	6,000,000
Mr Peter Thomas Campbell & Ms Rosalba Maria Gustin	500,000
Cityland Holdings Pty Ltd	1,500,000
Gunz Pty Ltd	1,000,000
Hardcore Geological Services	1,000,000
Jemaya Pty Ltd	10,000,000
Mr Brian Mervyn John & Mrs Christine Cecilia John	1,000,000
JP Morgan Nominees Australia	3,000,000
Mrs Lauren Knight	200,000
Miss Jessamy Joyce Lee-Steere	300,000
Miss Marie Karoline Lublinkhof	1,000,000
Mr Michael Charles Mann	1,300,000
Mr Michael Charles Mann & Mrs Nada Mann	700,000
Onyx Capital Pty Ltd	10,000,000
Mrs Megan Jane Pentony	250,000
Tarney Holdings Pty Ltd	5,000,000
Trade Holdings Pty Ltd	1,000,000
Valian Nominees Pty Ltd	1,000,000
Mr David James Wall	1,666,666
Mr Ian Vernon Wickens & Mrs Judith Anne Wickens	1,000,000
Total	113,481,085

The use (or intended use) of the funds raised

The purpose of the issue of the Capital Raising Shares is to continue the exploration and development of the Company's Green River Basin shale oil and gas projects in the United States of America and for working capital purposes.

A voting exclusion statement

A voting exclusion statement is included in this Notice.

EMERALD OIL & GAS NL
ACN 009 795 046
EXPLANATORY MEMORANDUM
TO SHAREHOLDERS

3. DEFINITIONS

In this Explanatory Memorandum:

"ASX" means ASX Limited ACN 008 624 691;

"Capital Raising Shares" means the Shares offered under the Capital Raising;

"Company" means Emerald Oil & Gas NL ACN 009 795 046;

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

"Director" means a director of the Company;

"Explanatory Memorandum" means this Explanatory Memorandum;

"Listing Rules" means the official listing rules of the ASX;

"Meeting" means the meeting of Shareholders convened by this Notice;

"Notice" and **"Notice of Meeting"** means the notice of meeting to which this Explanatory Memorandum is attached;

"Resolution" means a resolution set out in this Notice;

"Section" means a section of this Explanatory Memorandum; and

"Share" means an ordinary fully paid ordinary share in the capital of the Company and **"Shareholder"** has a corresponding meaning.

PROXY FORM

Emerald Oil & Gas NL

ACN 009 795 046

All correspondence to:

Emerald Oil & Gas NL
PO Box 902
West Perth WA 6872
Phone: 08 9482 0510
Facsimile: 08 9482 0505

I/We _____
(insert name of holder – please print)

Of _____
(insert address of holder – please print)

Appointment of Proxy

I/We being member/s of Emerald Oil & Gas NL and entitled to attend and vote hereby appoint

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

OR

Write here the name of the person
you are appointing if this person is
someone other than the Chairman
of the Meeting

or failing the person named, or if no person 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, as the proxy sees fit) at the Meeting of Emerald Oil & Gas NL to be held at 52 Ord Street, West Perth, Western Australia on Wednesday, 9 May 2012 at 9.00 am and at any adjournment of that meeting.

IMPORTANT: FOR RESOLUTION 1 BELOW

If the Chairman of the Meeting is to be your proxy and you have not directed your proxy how to vote on Resolution 1 below, please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of that Item and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Resolution 1 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 1.

Voting directions to your proxy - X to indicate your directions please mark

Ordinary
business

For Against Abstain*

Resolution 1 Ratification of Share Issue

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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* If you mark the Abstain box, 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

Security holder 2

Security holder 3

Sole Director and Sole Company
Secretary

Director

Director/Company
Secretary

Contact Name

Contact Daytime
Telephone

Date

How to complete the Proxy Form

1. Your Name and Address

This is your name and 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 should advise their 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 person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. 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.

3. Votes on Item of Business

You may direct your proxy how to vote by placing a mark in one of the boxes. 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 by inserting the percentage or number of securities you wish to vote in the appropriate box. If you do not mark any of the boxes, your proxy may vote as he or she chooses. If you mark more than one your vote will be invalid.

4. Appointment of a Second Proxy

You are entitled to appoint up to two persons as 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 the corporation 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 the address given below not later than 48 hours before the commencement of the meeting scheduled for 9.00 am on Wednesday, 9 May 2012. Any Proxy Form received after that time (9.00am Monday, 7 May 2012) will not be valid for the scheduled meeting.

Documents may be lodged:

<i>By mail or in person –</i> Emerald Oil & Gas NL Suite 2, 12 Parliament Place West Perth WA 6005 PO Box 902, West Perth, 6872.	OR	<i>By facsimile –</i> Within Australia (08) 9482 0505 Outside Australia +618 9482 0505
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