

Modena Resources Limited
ACN 119 749 647

Notice of General Meeting

Explanatory Statement

and

Proxy Form

Date of Meeting: 3rd April 2009
Time of Meeting: 10.00 am (Perth time)
Place of Meeting: The Holiday Inn City Centre, 788 Hay Street, Perth,
Western Australia

Modena Resources Limited

ACN 119 749 647

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting (the **Meeting**) of members of Modena Resources Limited (**Modena** or the **Company**) will be held on Friday, 3 April 2009, commencing at 10.00 am (Perth time) at the Holiday Inn City Centre, 788 Hay Street, Perth, Western Australia, for the purpose of transacting the following business.

The enclosed Explanatory Statement accompanies and forms part of this Notice of General Meeting.

AGENDA

SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions as ordinary resolutions:

1. Appointment of (Herbert) Gavin Solomon as a Director

That, subject to the passage of the Second Resolution and the Third Resolution, (Herbert) Gavin Solomon be appointed a Director of Modena effective as and from the close of the Meeting ("**First Resolution**").

2. Appointment of Simon Robert Kidston as a Director

That, subject to the passage of the First Resolution and the Third Resolution, Simon Robert Kidston be appointed a Director of Modena effective as and from the close of the Meeting ("**Second Resolution**").

3. Appointment of Justin Bradley Clyne as a Director

That, subject to the passage of the First Resolution and the Second Resolution, Justin Bradley Clyne be appointed a Director of Modena effective as and from the close of the Meeting ("**Third Resolution**").

4. Removal of Craig Willis as a Director

That, subject to the passage of the First Resolution, Second Resolution and the Third Resolution, Craig Willis (or any person appointed between the date of this Requisition and the date on which the Meeting is conducted, who replaced Craig Willis as a Director of Modena) be removed as a Director of Modena effective as and from the close of the Meeting ("**Fourth Resolution**").

5. Removal of Wayne Bellman as a Director

That, subject to the passage of the First Resolution, Second Resolution and the Third Resolution, Wayne Bellman (or any person appointed between the date of this Requisition and the date on which the Meeting is conducted, who replaced Wayne Bellman as a Director of Modena) be removed as a Director of Modena effective as and from the close of the Meeting ("**Fifth Resolution**").

6. Removal of Directors

That, subject to the passage of the First Resolution, Second Resolution and the Third Resolution, any person not mentioned in this Requisition who is appointed as a Director of Modena, between the date of this Requisition and the date on which the Meeting is conducted, be removed as a Director of Modena effective as and from the close of the Meeting ("**Sixth Resolution**").

7. Ratification for Issue of Convertible Notes and Approval for Issue of Shares on Conversion of Convertible Notes

That,

- (a) for the purposes of ASX Listing Rule 7.4 and for all other purposes, the prior issue of 10,000,000 convertible notes with a face value of \$2,500,000 be ratified and approved; and
- (b) for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Directors be authorised to allot and issue Shares upon the conversion of up to 10,000,000 convertible notes with a face value of \$2,500,000 such number of Shares to be determined at a conversion price of the lesser of:
 - (i) 25 cents per share; or
 - (ii) the price that is 80% of the volume weighted average market price of the Company's ordinary fully paid shares calculated over the last 30 days on which sales were recorded before the date of conversion and issue,

and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting.”

The Company will disregard any votes cast on this resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of an ordinary security holder, if the resolution is passed, and any associate of them. However, the Company need not disregard a vote if 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 a direction on the proxy form to vote as the proxy decides.

8. Ratification of Share Issue

That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the prior issue and allotment of 10,000,000 ordinary fully paid shares in the capital of the Company on the terms and conditions set out in the Explanatory Statement accompanying this Notice of General Meeting and otherwise on the basis set out therein, is ratified and approved.

The Company will disregard any votes cast on this resolution by the parties who participated in the issue as listed in the Explanatory Statement and any associate of them. However, the Company need not disregard a vote if 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 a direction on the proxy form to vote as the proxy decides.

For the purposes of determining voting entitlements at the Meeting, the Company determines that members who are registered as holding fully paid ordinary shares in the capital of the Company at 10.00am (Perth time) on 1 April 2009 will be entitled to attend and vote at the Meeting.

Proxy and Voting Entitlement Instructions are included on the Proxy Form accompanying this Notice of General Meeting.

BY ORDER OF THE BOARD

Craig Willis
Director
25 February 2009

EXPLANATORY STATEMENT

1. Introduction

This Explanatory Statement has been prepared for the information of members of Modena Resources Limited ("**Modena**" or the "**Company**") in connection with the business to be conducted at the general meeting of members to be held at the Holiday Inn City Centre, 788 Hay Street, Perth, Western Australia on Friday, 3 April 2009 at 10.00am (Perth time).

This Explanatory Statement forms part of and should be read in conjunction with the accompanying Notice of General Meeting.

2. Appointment / Removal of Directors (Resolutions 1 to 6)

On 4 February 2009, Modena received requisitions to convene a general meeting of the Company pursuant to section 249D of the Corporations Act 2001 ("**the Act**") from 19 shareholders, being shareholders with at least 5% of the votes that may be cast at a general meeting of the Company.

On 11 February 2009, Modena received a second set of requisitions to convene a general meeting of the Company pursuant to section 249D of the Act from 7 shareholders, also being shareholders with at least 5% of the votes that may be cast at a general meeting of the Company.

The 7 shareholders who gave the second set of requisitions also gave some of the first set of requisitions received on 4 February 2009, and gave the second set of requisitions on the basis the first set are withdrawn. The Company considers that the first set of requisitions cannot be withdrawn. Accordingly, the resolutions contained in the Notice of General Meeting contain all of the valid resolutions from both the first and second requisitions as at the date of the Notice.

In accordance with section 249D of the Act:

- (i) the Board of Directors of Modena must call the Meeting within 21 days after the first requisitions were given to Modena; and
- (ii) the Meeting must be held not later than 2 months after the requisitions were given to Modena.

As a consequence of the requisitions received on 4 and 11 February 2009, the resolutions to be proposed and voted upon by all eligible shareholders at the Meeting are as outlined in the Notice of General Meeting.

The Company has been provided with the relevant consents to act, short form resumes and a statement of new Board strategy. The short form resumes and statement of new Board strategy are attached.

3. Ratification for Issue of Convertible Notes and Approval for Issue of Shares on Conversion of Convertible Notes (Resolution 7)

Resolution 7 of the Notice of General Meeting seeks Shareholder approval for:

- (a) the prior issue of 10,000,000 Convertible Notes at a price of \$0.25 per Note; and
- (b) the allotment and issue of Shares upon the conversion of up to 10,000,000 convertible notes with a face value of \$2,500,000, such number of Shares to be determined at a conversion price of the lesser of:
 - (i) 25 cents per share; or
 - (ii) the price that is 80% of the volume weighted average market price of the Company's ordinary fully paid shares calculated over the last 30 days on which sales were recorded before the date of conversion and issue.

On 30 January 2009, the Company announced that the Directors had reached agreement for the issue of secured convertible notes ("Notes") with a face value of \$2,500,000. The principle terms of the Notes are as detailed in (c) below. Conversion of the Notes to Shares was conditional on Shareholder approval, if necessary.

The number of Shares that may be issued by the Company upon the conversion of Notes may exceed the 15% threshold requiring shareholder approval. To retain the Company's 15% equity security placement capability, shareholder approval is being sought for the issue of Shares on conversion of Notes so as to allow the issue of further securities in the future, without the necessity for Shareholder approval.

In compliance with the information requirements of ASX Listing Rule 7.3 and 7.5 members are advised of the following particulars in relation to the issue of the Notes and of Shares on conversion of Notes:

- (a) the amount of funds raised by the Notes was \$2,500,000. A Note will convert into the number of Shares calculated by dividing that part of the amount provided as an advance pursuant to the Note, the face value, by the Conversion price as described in (c) below.
- (b) the Notes were issued to a sophisticated/exempt investor pursuant to section 708 of the Corporations Act.
- (c) The principle terms of the Notes are as follows:

Face value per Note: \$0.25 each

Redemption Date: 29 January 2010, with the option to extend the redemption date to 29 January 2011 at the absolute discretion of the Noteholder. Modena has right to early repayment without penalty other than interest outstanding.

Coupon rate: 12% per annum, payable quarterly in arrears

Conversion price: The lesser of:

(a) 25 cents per share; or

(b) the price that is 80% of the volume weighted average market price of the Company's ordinary fully paid shares calculated over the last 30 days on which sales were recorded before the date of conversion and issue.

Conversion right: Convertible, in whole or in part, by the Noteholder at any time from the date of issue and prior to the Redemption Date.

Security: The Notes are secured by way of Deed of Charge against the net cash flow from Modena's farm-in to and participation in the Bullseye Prospect, otherwise the Noteholder will rank equally with all other unsecured creditors of the Company. The charge created by the Deed shall operate as a floating charge over the charged property.

ASX: The company will not apply to ASX for quotation of the Notes. Upon conversion of a Note the Company will apply for quotation of the Shares issued pursuant to the conversion.

- (d) The terms and conditions of the Shares issued upon conversion of Notes will be the same as the Shares in the Company already on issue and will from the date of issue rank equally in all respects with the then existing Shares.
- (e) The funds raised from the convertible note issue were to provide funds for ongoing participation of the Company's working interest in the Bullseye Prospect and for additional working capital.
- (f) The issue of Notes occurred on one date. Allotment of Shares will occur progressively upon the conversion of Notes.

If Resolution 7 is not approved by Shareholders, noteholders will not be entitled to convert the Notes to Shares, other than in the circumstance where the Company has the capacity under its 15% placement limit. A noteholder in this instance will only have right of redemption in accordance with the terms of the Note deed.

4. Ratification of Share Issue (Resolution 8)

Resolution 8 of the Notice of General Meeting proposes the ratification of the issue and allotment of 10,000,000 Shares, thereby satisfying the requirements of ASX Listing Rule 7.4.

On 30 January 2009, the Company announced that the Directors had reached agreement for the issue of secured convertible notes ("Notes") with a face value of \$2,500,000. In conjunction with the issue of the secured convertible notes, the Company issued 10,000,000 Shares to the noteholder(s), in consideration for provision of the convertible note facility.

The allotment and issue of the 10,000,000 Shares was within the 15% annual limit permitted under Listing Rule 7.1 without shareholder approval. The effect of shareholders passing Resolution 8 will therefore be to restore the Company's ability to issue securities within the limit.

In compliance with the information requirements of ASX Listing Rule 7.5 members are advised of the following particulars in relation to the placement:

(a) Number of securities allotted:

10,000,000 Shares

(b) Price at which the securities were issued:

The Shares were issued in consideration for provision of a convertible note facility.

(c) Terms of the securities:

The Shares rank equally in all respects with the existing Shares on issue.

(d) Name of the allottee:

Life Therapeutics Limited

(e) Intended use of funds raised:

No funds were raised from the issue. The Shares were issued in consideration for provision of a convertible note facility.

12. DEFINITIONS

ASX means ASX Limited ABN 98 008 624 691.

ASX Listing Rules means the official listing rules of ASX.

Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means this Explanatory Statement.

Modena or the Company means Modena Resources Limited (ACN 119 749 647).

Notice of General Meeting means the notice of general meeting which forms part of this Explanatory Statement.

Share	means a fully paid ordinary share in the capital of the Company and Shares has a corresponding meaning.
Shareholder	means a holder of a Share.

For personal use only

PROXY FORM

The Secretary
Modena Resources Limited
Suite B, 150 Hay Street
Subiaco WA 6008

I/We (full name)

of _____

being a member(s) of Modena Resources Limited, hereby appoint as my/our proxy

of _____

or, failing him/her the Chairperson of the Meeting to attend and vote for me/us at the general meeting of the Company to be held at 10.00am (Perth time) on Friday, 3 April 2009 and at any adjournment thereof in respect of _____% of my/our shares or, failing any number being specified, ALL of my/our shares in the Company.

RESOLUTIONS

	FOR	AGAINST	ABSTAIN
1 Appointment of (Herbert) Gavin Solomon as a Director	☐	☐	☐
2 Appointment of Simon Robert Kidston as a Director	☐	☐	☐
3 Appointment of Justin Bradley Clyne as a Director	☐	☐	☐
4 Removal of Craig Willis as a Director	☐	☐	☐
5 Removal of Wayne Bellman as a Director	☐	☐	☐
6 Removal of Directors	☐	☐	☐
7 Ratification of Convertible Notes and Issue of Shares on Conversion	☐	☐	☐
8 Ratification of Share Issue	☐	☐	☐

If the member is an individual or joint holder:

Usual Signature

Dated this _____ day of _____

Usual Signature

2009.

If the member is a company:

Signed in accordance with the
constitution of the company
in the presence of:

Director/Sole Director

Director/Secretary

Sole Director and Sole Secretary

Dated this _____ day of _____

2009.

NOTES

1. A member entitled to attend and vote is entitled to appoint not more than two proxies.
2. Where more than one proxy is appointed and that appointment does not specify the proportion or number of the member's votes, each proxy may exercise half of the votes.
3. A proxy need not be a member of the Company.
4. A proxy is not entitled to vote unless the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed is either deposited at the registered office of the Company (Suite B, 150 Hay Street, Subiaco, Western Australia, 6008) or sent by facsimile to that office on Fax: 08 9388 8450 to be received not less than 48 hours prior to the time of the meeting.
5. If the member is a company it must execute under its common seal or otherwise in accordance with its constitution.
6. In the case of joint shareholders, this proxy must be signed by all of the joint shareholders, personally or by a duly authorised attorney.
7. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions, 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 the 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, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.
8. The Chairperson intends to vote all undirected proxies *against* resolutions 1 to 6 and in *favour* of resolutions 7 and 8.

SHORT FORM RESUMES

GAVIN SOLOMON

Gavin Solomon is an experienced Executive and Non-Executive director of ASX listed and unlisted Companies. Gavin is currently:

- Managing Director and founding substantial shareholder of Helmsec Global Capital Limited, an unlisted Pan Asian Investment and Advisory House (www.helmsec.com.au); and
- Non-executive director of Endocoal Limited, a junior coal exploration company (assets situated in Bowen Basin).

Gavin graduated with a Bachelor of Commerce (Finance and Accounting) and Bachelor of Laws from the University of New South Wales in 1977. Gavin established and successfully managed the Sydney boutique law firm of Solomon Garland Partners between 1982 and 1999 including in 1992 being the prime mover on corporate governance issues of Westpac Banking Corporation and the reshaping of its corporate status and constitution. In October 1999 Solomon Garland Partners merged with Gagens Lawyers – where Gavin remained a senior consultant from 1999 to 2004.

Gavin has been involved in establishing, owning and operating numerous business entities since 1981. Gavin has expertise across many businesses including a successful legal background and has taken many companies to ASX listing as well as many equity capital market transactions. Gavin has been involved with many and varied businesses including resources, mining, media, construction/development projects as well as extensive experience in dealing with all levels of government instrumentalities and regulations.

Gavin was admitted as a Notary Public in 1988, is admitted to practice in the High Court of Australia, Federal Court of Australia and Supreme Court of New South Wales and is a member of the Australian Institute of Directors. Gavin is an active member of the Australian business community and has an extensive network of strong relationships.

SIMON KIDSTON

Simon is a founding director of Helmsec Global Capital and has almost 20 years investment banking experience in Australia, UK and Asia. Simon has an equity capital markets and Mergers & Acquisition background and has considerable experience assisting listed companies raise capital.

Prior to joining Helmsec Global Capital, Simon spent many years with Macquarie Bank and was part of HSBC's global Oil and Gas team, gaining considerable experience in the oil and gas industries and advising numerous companies on acquisitions and capital raisings globally.

Simon holds a Bachelor of Commerce degree from Griffith University and has a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia.

JUSTIN CLYNE

Justin Clyne was admitted as a Solicitor of the Supreme Court of New South Wales and the High Court of Australia in 1996 before gaining admission as a Barrister in 1998. He has a total of 15 years experience in the legal profession acting for a number of the country's largest corporations, initially in the areas of corporate and construction law before developing an interest in mining investment and research. Since 2006 Justin has dedicated himself full-time to the mining and resources sector.

Justin is a director and/or secretary of a number of private companies as well as both public listed and unlisted companies. He is also a consultant to Oakhill Hamilton Pty Ltd, a company providing financial, company secretarial and commercial contracting services to companies specialising in the resources industry and has significant experience and knowledge of the Corporations Act and the ASX listing rules.

Justin is currently involved in the formative stages of listing a number of companies on the ASX and NSX including capital raising and listing issues where he will also be a Director and/or Company Secretary.

NEW BOARD STRATEGY FOR MODENA RESOURCES LIMITED

With professional backgrounds including legal, accounting and management of resource companies, the newly-proposed Board of Directors for Modena Resources Limited bring a unique assembly of experience suited to the goals and vision of the Company and its shareholders. The new Board strongly believes in the current direction of the Company and the robust development and production potential of its key asset, the Bullseye Prospect in Louisiana, U.S.A. The new Board has three key objectives for the strategic direction of Modena Resources:

- Progress Modena from an oil and gas developer to producer;
- Maximise oil and gas output from Bullseye; and
- Create wealth for all shareholders.

The new Board wishes to maintain Modena's interest in the Bullseye Prospect at 15% working interest in order to ensure downside protection for shareholders during the project's exploration stages. The new Board's extensive experience in corporate finance will ensure that Modena will always have the required funds to service its working interest in the Bullseye Prospect until such a time where project expenditure can be serviced through project cash flows. It is the intention to only raise funds when required and in manners that are in the best interests of Modena shareholders, to maximise long-term shareholder wealth.

Should the current exploration program at the Bullseye Prospect prove successful and target reserves are achieved, the Board will act to ensure that the abovementioned objectives are achieved and may ultimately consider seeking other near-production oil and gas opportunities in the United States.