



ASX Release

8 August 2011

Request under Section 249D of the Corporations Act for General Meeting of Shareholders

Redbank Energy Limited (ASX: AEJ) today announces that it has received a request in accordance with section 249D of the Corporations Act 2001 from its largest shareholder, Coastal Capital International Ltd ("Coastal"). The request requires the Directors of Redbank Energy Limited to call and then to arrange and hold a general meeting of shareholders for the purposes of considering whether to appoint Todd Plutsky and Vlad Artamonov as Directors of the company, and to remove the existing three Independent Directors (being the Chairman Len Gill, Peter Kinsey and Rod Keller), all with immediate effect.

Todd Plutsky and Vlad Artamonov are the two principals of Coastal, a New York based hedge fund, which holds approximately 17.97% of the issued share capital in Redbank Energy Limited. In the event that the resolutions proposed by Coastal are passed, the result will involve the Redbank Energy Board comprising of 4 Directors representing major shareholders who between them hold approximately 36.88% of the company's shares. There will no longer be any Independent Directors on the Redbank Energy Board.

The request from Coastal requires the general meeting of the shareholders to be held not later than 4 October 2011. The Redbank Energy Directors will comply with this request within the required timeframe as contemplated by the Corporations Act.

The preferred position of the Redbank Energy Directors is to include the items requisitioned by Coastal in the business to be considered at the 2011 AGM. The three Independent Directors have all offered to put themselves up for re-election at the 2011 AGM, and the Board as a whole has also offered to accelerate the timing of the holding of the AGM to the week commencing 17 October 2011, so as to accommodate both the Coastal items and the usual business required to be addressed at the AGM (for example, the presentation of the FY2011 Financial Reports). This offer has to date been rejected by Coastal.

The consolidation of all issues into the one general meeting will of course save company funds and avoid the inconvenience to shareholders of attending two general meetings in quick succession. The week commencing 17 October 2011 is the earliest time that the Directors believe that the AGM can be held, having regard to the prerequisites of finalising the FY2011 Financial Reports, the preparation and distribution of the 2011 Annual Report and the statutory notification period for general meetings.

The Directors do not believe that a delay of no longer than two weeks in the consideration of the Coastal requisitioned items is material, as compared to the significant benefits to the company and shareholders alike in consolidating all shareholder business into the one general meeting. The Directors will continue their dialogue with Coastal and would welcome a change in position by Coastal regarding the timing of the general meeting.

ENDS

Further Information:

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