

CHAIRMANS OUTLINE
ANNUAL GENERAL MEETING OF SHAREHOLDERS
CONCENTRATED CAPITAL LIMITED
ACN 087 730 667

To be held at:
11am at Tolhurst Noall Limited, Level 29, 35 Collins Street,
Melbourne, Victoria

1. Welcome.

Good morning ladies and gentlemen and welcome to this Annual General Meeting of members of Concentrated Capital Limited.

My name is Hamish Giles. I am the Chairman of Concentrated Capital Limited and I will be chairing the meeting this morning.

I note the attendance of representatives of our Auditors, Ernst and Young and representatives of Computershare and thank them for their assistance today.

The format for the meeting this morning will be as follows:

Following preliminary matters I will present a short address as Chairman.

We will then proceed with the matters of Ordinary Business set out in the Notice of Meeting.

Quorum

Moving to formalities, I am advised that a Quorum of members is present. If you have not already done so I would ask that all members present sign the Attendance Register. The Attendance Register is tabled and is available for inspection either during or after the meeting.

Proxies have been inspected and all those validly lodged have been accepted. I will announce the total number of valid proxy votes, and the manner in which proxies are to vote before each resolution is considered and voted upon.

Where a proxy vote has been given to the Chairman without voting instructions I intend to vote in favour of the resolution.

Proxies can be made available for inspection by a member.

The minutes of the last AGM have been signed and are available for inspection.

I now call the meeting to order.

2. CHAIRMANS ADDRESS

5 November 2004

As indicated in the recently released Annual Report for 2004, your Company has had both disappointments in its drilling program and opportunities in its investment strategies during the year.

During the year, your Company raised \$717,914 capital through a Placement of Shares to professional investors and a Rights Issue to shareholders. This capital has been utilised to invest \$599,809 in Middle East Petroleum Services Limited (MEPS), a Company that proposes to float on AIM in February/March 2005. MEPS raised two million, five hundred thousand dollars (\$2,500,000) by way of an initial placement of Convertible Notes and is presently seeking to raise a further three million pounds (£3,000,000) prior to floating with a further raising of twelve million pounds (£12,000,000). Your Company has been appointed as Trustee of the Convertible Note Holders and Mr Chris Rowe, a Director of your Company is the current Chairman of Middle East Petroleum Services Limited. We are excited that this investment is likely to provide both significant investment upside and potential future opportunities to your Company.

Your Company's investment in the Avalon Partnership which manages both production and prospective production through a number of sites in the United States has grown as a result of taking up cash calls in the Partnership as well as some modest shortfall subscriptions. The Avalon Partnership has benefited from increased oil and gas prices over the past twelve (12) months although this may prove to be of detriment in the sale of fully proven up fields as investors seek to defer purchasing such fields whilst energy prices are at record levels. Nonetheless, the revenue received by the Avalon Partnership has continued to build and the Partnership has continued with its strategic focus of reinvesting approximately eighty percent (80%) of these funds in the development of future fields. Your Company does not expect to receive a dividend from this investment but rather a capital return upon the sale of proven up fields.

Your Company has had continued discussions with Pooled Mining Investments Limited, a Company that holds similar assets to that of Concentrated Capital Limited. At present, your Company has been unable to gain a commercial solution in respect to the acquisition of any assets and these discussions are currently on hold.

In terms of disappointment, notwithstanding the excellent geological results from survey and wire logs, the West Pine Ridge Project has proven both a disappointment and a costly failure. Your Company wrote off two hundred and fifty thousand dollars (\$250,000) in the past financial year as a result of the failure of this well and continues to hold this investment in West Pine Ridge at a written down value of one hundred and twenty thousand dollars (\$120,000). Indications from Avalon which manages this project are that the land and attaching geology is of value to other purchasers and whilst your Company does not propose to drill a further well at the present time, there is value in the leasehold that it has an interest in. Your Company is awaiting a final report from Avalon as to the next steps forward in this project.

During the year your Board resolved to relinquish your company's PDF License, official notification of this change of status being ratified by the PDF Board on 16 March 2004.

Subsequent to the end of the financial year, your Company has begun discussions with potential investors who are seeking to float cash flow positive businesses on the Australian Stock Exchanges. It is your Company's objective to provide liquidity and value to shareholders and as such your Board has resolved to pursue strategies that

may result in your Company acquiring a business or businesses that provide both profitability and the potential for dividend. Should such a decision be made to acquire a business, your Board has resolved that such decision will be put to an Extraordinary General Meeting of Shareholders to approve such a transaction. At present, whilst your Board is considering opportunities there is no opportunity that your Board is in a position to put to shareholders and your Board has not commenced Due Diligence on any potential opportunity as yet.

During the year Mr Steve Danne stood down as Company Secretary. I would like to formally thank him for his contribution to your company. I would also like to thank my other Board Members for their contribution in the operation of this Company and look forward to your support in the future.

Thank you.

HAMISH M. GILES
CHAIRMAN

3. ORDINARY BUSINESS

The Notice of Meeting dated 29 September 2004 and entitled "Notice of Annual General Meeting" has been circulated to all Concentrated Capital Limited Shareholders and I therefore take that notice as read.

3.1 ANNUAL FINANCIAL REPORT

I confirm that all shareholders have been forwarded a copy of the Company's Annual Report and Financial Statements which comprise the statement of financial position, cashflow statement and statement of financial performance of the Company, and the reports of the Directors and Auditors, for the Financial Year ended 30 June 2004.

I now ask shareholders present if there are questions or comments regarding:

- (a) the Financial Statements and Reports thereon (including any questions as to the conduct of the audit and the preparation and content of auditor's report; and
- (b) the operations of the Company

No questions – further discussion.

Close of meeting

Chris Rowe

Note: No resolution is required in connection with the Financial Statements and Reports.

3.2. RE-ELECTION OF DIRECTORS

The next items of business deal with the re-election of directors:

3.2.1 Resolution 1 – Re-Election of Mr Reilly

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

"That Mr Peter Reilly, who retires in accordance with Article 8.1 (e) (2) of the Company's Constitution and, being eligible for re-election, be re-elected as a Director."

For the information of the meeting I advise that as Chairman, I am holding the following:

Proxies representing **1,224,350** votes **FOR** the resolution;

Proxies representing **0** votes **AGAINST** the resolution;

Proxies representing **0** votes have abstained from voting.

Would someone care to second the motion?

Michael Blanche seconded the motion.

Are there any speakers for the motion?

None.

Are there any speakers against the motion?

None.

There being no speakers to the motion (or there being no further speakers as the case may be) I now put the motion.

All those in favour please raise their hand.

Hands raised by Hamish Giles (representing proxies), Michael Blanche and Bruce McIntosh.

All those against please raise their hand.

I declare the motion *carried*.

3.2.2 Resolution 2 – Refresh capacity to issue shares following issue of placement shares and rights issue shares.

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

"That the issue by the Company on 15 June 2004 of 1,213,727 placement shares at \$0.55 each and the issue by the Company on 27 August 2004 of 91,573 Rights Issue Shares at \$0.55 each be approved for all purposes including the purpose of NSX Listing Rule 6.25"

For the information of the meeting I advise that as Chairman, I am holding the following:

Proxies representing **1,224,350** votes **FOR** the resolution;

Proxies representing **0** votes **AGAINST** the resolution;

Proxies representing **0** votes have abstained from voting.

Would someone care to second the motion?

Bruce McIntosh seconded the motion.

Are there any speakers for the motion?

None

Are there any speakers against the motion?

None

There being no speakers to the motion (or there being no further speakers as the case may be) I now put the motion.

All those in favour please raise their hand.

Hands raised by Peter Reilly, Michael Blanche, Bruce McIntosh, Chris Rowe and Hamish Giles (representing proxies).

All those against please raise their hand.

None

I declare the motion carried.

Chris Rowe address.

4. Closing

That concludes the formal business of the Meeting.

