

# BUREY GOLD LIMITED

ACN 113 517 203

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Burey Gold Limited (“Burey” or the “Company”) will be held on Thursday, 25 November 2010 at 10.30am at the King Street Room, Rydges Hotel, 815 Hay Street, Perth, Western Australia.

### AGENDA

#### ORDINARY BUSINESS

##### 1. Financial Report for the Year Ended 30 June 2010

To receive and consider the financial report of the Company for the year ended 30th June 2010, together with the reports by the directors and auditors thereon.

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

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

“To adopt the Remuneration Report as set out in the Directors' Report section of the Annual Report for the financial year ended 30 June 2010.”

##### 3. Resolution 2 – Re-election of R N Gajewski

“That Mr R N Gajewski retires in accordance with Clause 11.3 of the Constitution of the Company and, being eligible, is hereby re-elected as a director of the Company.”

##### 4. Resolution 3 - Renewal of Employee Option Plan

“That, for the purposes of ASX Listing Rule 7.2, Exception 9 and all other purposes, the directors be and are hereby authorised to maintain the employee option plan, called “The Burey Gold Limited Employee Option Plan”, upon and subject to the terms and conditions specified in the document entitled “Rules of The Burey Gold Limited Employee Option Plan”, a summary of which is included in the Explanatory Memorandum”

*Voting Exclusion: The Company will disregard any votes cast on this Resolution by any director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) or any associate of such a person. However, the Company need not disregard a vote if it is cast by the 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.*

##### 5. Resolution 4 – Approval for the Issue of Options to Director, Mr N Ferguson

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act 2001 and all other purposes, the directors be authorised to issue up to a maximum of 750,000 Options to subscribe for shares in the Company to Mr N Ferguson or his nominee, the details of which are set out in the Explanatory Memorandum forming part of the Notice of this Annual General Meeting.”

**Voting Exclusion:** *The Company will disregard any votes cast on this Resolution by Mr N Ferguson or his associates. However, the Company need not disregard a vote if it is cast by the 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.*

## **GENERAL BUSINESS**

6. To transact any other business which may lawfully be brought forward.

## **PROXIES**

In accordance with section 249L of the Corporations Act 2001, members are advised that:

- 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. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act 2001, each proxy may exercise half of the votes.

**The Chairman of the Meeting intends to vote any undirected proxies in favour of all the resolutions.**

In accordance with section 250BA of the Corporations Act 2001, the Company specifies the following information for the purposes of receipt of proxy appointments:

Registered Office: 30 LEDGAR ROAD  
BALCATT, WESTERN AUSTRALIA 6021

Facsimile Number: (61 8) 9240 2406

Postal Address: P O Box 717  
BALCATT, WESTERN AUSTRALIA 6914

Each member entitled to vote at the annual general meeting has the right to appoint a proxy to attend and vote at the meeting on his behalf. The member may specify the way in which the proxy is to vote on each resolution or may allow the proxy to vote at his discretion. The instrument appointing the proxy must be received by the Company at the address specified above at least 48 hours before the time notified for the meeting (proxy forms can be lodged by facsimile).

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered as shareholders of the Company on 23 November 2010 at 5pm.

BY ORDER OF THE BOARD



S M Shah  
Company Secretary  
15 October 2010

**Members who do not plan to attend the meeting are encouraged to complete and return a proxy form.**

# **BUREY GOLD LIMITED**

ABN 14 113 517 203

## **EXPLANATORY MEMORANDUM**

### **1. INTRODUCTION**

This Explanatory Memorandum has been prepared for the information of shareholders of Burey Gold Limited (“**Burey**” or the “**Company**”) in connection with the business to be conducted at the Annual General Meeting to be held on Thursday, 25 November 2010 at 10.30am at the King Street Room, Rydges Hotel, 815 Hay Street, Perth, Western Australia.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

### **2. 2010 ANNUAL REPORT**

In accordance with the requirements of the Company’s Constitution and the Corporations Act, the 2010 Annual Report will be tabled at the annual general meeting. Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Report.

Representatives from the Company’s auditors, BDO Audit (WA) Pty Ltd, will be present to take shareholders’ questions and comments about the conduct of the audit and the preparation and content of the audit report.

**Annual Report** – As you may be aware, changes to legislation mean that companies are no longer required to mail out a hard copy of their annual report to shareholders. If you so wish, you can obtain a hard copy by contacting the Company. Alternatively, it is available on the Company’s website at [www.bureygold.com](http://www.bureygold.com) for you to download or read online.

### **3. RESOLUTION 1 – Adoption of Remuneration Report**

The Annual Report for the financial year ended 30 June 2010 contains a Remuneration Report, which forms part of the Directors’ Report and sets out the remuneration policy for the Company and its controlled entities, and reports the remuneration arrangements in place for executive directors, senior management and non-executive directors.

The Corporations Act 2001 requires listed companies to put an annual non-binding resolution to shareholders to adopt the Remuneration Report. In line with the legislation, this vote will be advisory only, and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when considering the Company’s remuneration policy.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

### **4. RESOLUTION 2 – Re-election of Director**

In accordance with the requirements of the Company’s Constitution, ASX Listing Rules and the Corporations Act, one-third of the directors of the Company (other than the Managing Director) and those who were last re-elected more than three years ago retire from office at this annual general meeting of the Company and, being eligible, offer themselves for re-election. Details of Mr Gajewski’s qualifications and experience are available in the Annual Report.

### **5. RESOLUTION 3 – Renewal of Employee Option Plan**

The Burey Gold Limited Employee Option Plan (“**Plan**”) was established, pursuant to shareholder approval, in August 2007. Pursuant to its rules, the Plan is to be re-presented to shareholders for approval every three years. In accordance with the rules of the Plan and ASX Listing Rule 7.2, Exception 9, shareholder approval is now being sought for the maintenance of the Plan. A full copy of the Plan may be obtained by contacting the Company.

The directors believe that the future success of the Company will depend significantly on the skills and motivation of key employees. The Plan is seen as an important tool to attract, motivate and retain key employees, especially in overseas locations. It is important to note that the Plan will also enable the Company to attract top calibre staff and at the same time conserve liquid funds, which might otherwise need to be spent on remuneration.

760,000 options have been issued pursuant to the Plan since its inception in August 2007. At the date of this Notice of Meeting, 760,000 options are on issue.

The key features of the Plan are as follows:

1. The offer of options under the Plan is at the discretion of the Board. The Board may invite applications for options from employees of the Company or certain associated or related companies of the Company. Directors of the Company are not eligible to participate in the Plan.
2. Offers of options must specify the terms of issue.
3. Subject to satisfaction of any exercise conditions determined by the and at the discretion of the Board at the time of grant, the options granted will be exercisable after the first anniversary of the date of grant but before the third anniversary ("Expiry Date") of the date of grant. The period for exercise of the options is reduced in certain circumstances, for example in the event of a takeover offer or the holder's death or permanent disablement.
4. Any options not exercised at Expiry Date will lapse.
5. The options issued under the Plan will be issued free of charge and entitle the holder to purchase one ordinary share at an exercise price as the Directors deem appropriate in light of surrounding circumstances but not less than any price prescribed under the ASX Listing Rules from time to time. In any case, the exercise price shall be no less than 80% of the average market price for shares over the last five (5) trading days immediately preceding the date on which the options are issued.
6. No options may be granted if such options when aggregated with options previously issued under the Plan (or any other employee incentive scheme) would exceed 5% of the total number of issued shares in the Company.
7. The options must be accepted by the completion of the acceptance form.
8. Options may only be exercised by notice in writing (in the form prescribed by the Board) given by the optionholder to the Company.
9. If an optionholder ceases employment with the Company, options held at that time and capable of being exercised will lapse unless exercised within thirty days of cessation of employment, except where employment has ceased as a result of special circumstances such as death or disablement.
10. Options must not be assigned, transferred or otherwise dealt with except with the approval of the Board or in the case of a takeover offer or a Scheme of Arrangement.
11. The options will not be listed on ASX, although the Company will apply for the official quotation of any shares which are issued as a result of exercise of options.
12. In the event of any reconstruction of the capital of the Company, the number and exercise price of options issued under the Plan will be dealt with in accordance with ASX listing rules.
13. The Corporations Act 2001 and the ASX Listing Rules have precedence over the Terms and Conditions of the Plan. Therefore, the grant or exercise of options will not be permitted if either (or both) would contravene them.
14. The Plan may be terminated at any time by the Board, but this will not affect any accrued rights of the option holders at that time.
15. There are no participating rights or entitlements inherent in the options and the holder will not be entitled to participate in new issues of capital offered or made to the shareholders during the currency of the options unless the options are first exercised prior to any record date, subject to vesting rules.

## **6. RESOLUTION 4 – Issue of Options to Director, Mr N Ferguson**

Mr Nigel Ferguson is a current director of the Company to whom it is proposed to issue 750,000 options over shares in the Company.

The options to be issued have an expiry date of 31 March 2013 with an exercise price of 20 cents each. Please refer to Appendix 'A' for the terms and conditions of the Options.

The purpose of the issue of options is to provide Mr Ferguson with an incentive for the provision of future services. The issue of options as part of the remuneration packages of directors is an established practice of smaller public listed companies and, in the case of the Company, has the benefit of conserving cash whilst properly rewarding the director. Whilst Mr Ferguson does not make a recommendation as he has a personal interest in the proposed issue, he believes that the quantum of options together with the cash fees that he is entitled to is reasonable in the context of the size and complexity of the Company's activities and also by comparison to other similar-sized mineral explorers.

The ASX Listing Rules and the Corporations Act 2001 (in certain circumstances) require shareholder approval to be obtained for the issue of options to directors. Accordingly, approval for the issue of options to Mr Ferguson is being sought in accordance with the provisions of Listing Rules 7.1 and 10.11 of the ASX Listing Rules ("Listing Rules") and Part 2E of the Corporations Act 2001. If approval for the issue of the Directors' Options is obtained under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Subject to shareholder approval, the options referred to in resolution 4 will be issued free of charge and within one month after the date of this meeting.

(A) The proposed Resolution 4, if passed, will issue securities to and confer financial benefits upon Mr Ferguson who is a director of the Company and the Company seeks to obtain member approval in accordance with the requirements of Chapter 2E of the Corporations Act and ASX Listing Rule 10.11. Accordingly, information required under the Listing Rules and the Corporations Act as well as information that will properly enable shareholders to consider these resolutions is presented below.

### **(B) Potential Benefits**

If options are issued pursuant to the proposed resolution 4, the Company considers the following benefits arise:

- (i) Mr Ferguson will have a vested interest in the affairs of the Company, as the holder of options and as shareholder upon exercise of the options, particularly as the options are not transferable.
- (ii) The issue of options to Mr Ferguson is a non-cash form of remuneration, thus conserving the Company's cash reserves. The issue enables the Company to provide Mr Ferguson with reward for services provided and an incentive for future services he will provide to the Company.
- (iii) The exercise of the options will provide working capital for the Company at no significant cost. If all of the options proposed to be issued to Mr Ferguson are ultimately exercised, an amount of \$150,000 would be raised. As the options are to be granted for nil consideration there will be no funds raised by the Company in granting the options.

### **(C) Potential Costs**

The potential cost to the Company of the issue of an aggregate of 750,000 options to Mr Ferguson is that there will be a dilution of the issued share capital of the Company if the options are eventually exercised.

Based on 326,429,003 fully diluted shares, the exercise of the proposed options (750,000) would have a dilution effect of approximately 0.23% (with a corresponding increase in cash reserves of \$150,000). As the Company presently has 123,548,000 options on issue, exercisable at 5 cents each, it is appropriate to measure the dilution caused by the proposed issue of options to directors by reference to fully diluted shares rather than just ordinary shares presently on issue (202,881,003).

If the options are exercised at a time when the market price of the Company's shares is greater than the exercise price of the options, there will be a detriment insofar as the Company will be required to issue shares at a price lower than it might otherwise have been able to, with the result that less funds will be raised.

The price of the Company's shares quoted on the ASX over the past three months has ranged from a low of 4.4 cents on 20 July 2010 to a high of 17.5 cents on 14 October 2010, with a closing price of 17.5 cents on 14 October 2010 (date of preparation of this Notice).

AASB 2 "Share Based Payments" requires that these payments shall be measured at the more readily determinable fair value of the equity instrument. Under accounting standards this amount will be expensed in the Income Statement – ie the value attributed to the Mr Ferguson's options (See Section D below) will be expensed in the profit and loss account of the Company. Where the grant date and the vesting date are different the total expenditure calculated will be allocated between the two dates taking into account the terms and conditions attached to the instruments and the counterparties as well as management's assumptions about probabilities of payments and compliance with and attainment of the set out terms and conditions.

#### **(D) Valuation of Options**

The Company does not have any ASX-quoted options with identical or similar terms and conditions as the proposed options and as such there is no comparable market value. The options each grant the holder a right of grant of one Share in the Company upon exercise of the option and payment of the exercise price of the option. Accordingly, the proposed options may have a present value at the date of their grant. The proposed options may acquire future value dependent upon the extent to which the shares exceed the exercise price of the options during the term of the Options.

As a general proposition, options to subscribe for ordinary fully paid shares in a company have value. Various factors impact upon the value of options including things such as:

- (i) the period outstanding before the expiry date of the options;
- (ii) the exercise price of the options relative to the underlying price or value of the securities into which they may be converted;
- (iii) the proportion of the issued capital as expanded consequent upon exercise represented by the shares issued upon exercise (ie whether or not the shares that might be acquired upon exercise of the options represent a controlling or other significant interest);
- (iv) the value of the shares into which the options may be converted; and
- (v) whether or not the options are listed (ie readily capable of being liquidated);

and so on.

There are various formulae which can be applied to determining the theoretical value of options (including the formula known as the Black-Scholes Model option valuation formula).

The Company has estimated the value of the options and has done so using the Black-Scholes Model, which is the most widely used and recognised model for pricing options. The value of an option calculated by the Black-Scholes Model is a function of the relationship between a number of variables, being the share price, the exercise price, the time to expiry, the risk-free interest rate and the volatility of the Company's underlying share price.

Inherent in the application of the Black-Scholes Model are a number of inputs, some of which must be assumed. The data relied upon in applying the Black-Scholes Model was as follows:

- (i) an exercise price of the Option of 20 cents;
- (ii) length of period prior to conversion being 2 years and 4 months (December 2010 to March 2013). For the purposes of the analysis it was assumed that the options would not be exercised any earlier than the expiration date, being 31 March 2013;

- (iii) the Company has not forecast any future dividend payments. For the purposes of the analysis, it was assumed that the Company's share price is "ex-dividend";
- (iv) the risk free rate used for the purposes of the analysis is the Reserve Bank of Australia 2 year Australian government bond rate as at 13 October 2010 being 4.81%;
- (v) a volatility measure of 95.8%; and
- (vi) the valuation of the Company's share price being 17.5 cents, being the value of the Company's share price as at 14 October 2010.

Using the Black-Scholes Model and the assumed data outlined above, the directors have valued the Options as at 14 October 2010 at 9 cents each.

Using this analysis (9 cents), the total value of the proposed options to be granted to Mr Ferguson is as follows:

| <b>Number of options</b> | <b>Total Value of Options</b> |
|--------------------------|-------------------------------|
| 750,000                  | \$67,500                      |

**(E) Identifying the Related Parties**

The related party to whom resolution 4 would permit financial benefits to be given is Mr Ferguson.

**(F) Financial Benefit**

The nature of the financial benefit is the grant of 750,000 options to Mr Ferguson for no consideration.

**(G) Related Parties' Existing Interest**

Excluding the options the subject of resolution 4, the current interests of Mr Ferguson (and entities associated with him) in the Company's securities are as follows:

| <b>Shares</b> | <b>Options<sup>(1)</sup></b> |
|---------------|------------------------------|
| 100,001       | 500,000                      |

<sup>(1)</sup> These options are exercisable at 5 cents each on or before 31 December 2012 and were granted as part of Mr Ferguson's remuneration package, following approval at the Annual General Meeting of the Company held on 26 November 2009.

**(H) Directors' Emoluments**

Other than the options, Mr Ferguson's current remuneration is as follows:

| <b>Position</b>              | <b>Annual Remuneration</b> |
|------------------------------|----------------------------|
| Part-time Executive Director | \$60,000                   |

Mr Ferguson, formerly a non-executive director receiving fees of \$20,000 per annum, was appointed to a part-time executive role with effect from 1 April 2010. This proposed issue of options is designed to supplement his cash remuneration, whilst conserving the Company's cash funds.

**(I) Directors' Recommendation**

Mr Ferguson expresses no opinion and makes no recommendation in respect of resolution 4 given his personal interest in the Resolution. Each of the other directors (Messrs Stainforth, Gajewski & Shah) recommend that shareholders approve resolution 4 for the reasons set out in this Explanatory Memorandum, including:

- (i) Mr Ferguson will have a vested interest in the affairs of the Company, as the holders of options and as a shareholder upon exercise of the options, particularly as the options are not transferable; and

- (ii) The issue of options to Mr Ferguson is a non-cash form of remuneration, thus conserving the Company's cash reserves. The issue enables the Company to provide Mr Ferguson with reward for services provided and provide an incentive with respect to future services he will provide to the Company to further progress the Company,

and on the basis that, in their opinion, the proposed issue of options is fair and reasonable having regard to the terms of the Options.

#### **(J) Taxation Consequences**

No fringe benefits tax or stamp duty will be payable in respect of the grant of the options. No GST will be payable by the Company in respect of the grant of the options (or if it is then it will be recoverable as an input credit).

Other than the information above and otherwise set out in this Explanatory Memorandum and the accompanying cover letter, the directors believe that there is no other information known to the Company or its directors that will be reasonably required by shareholders to make a decision in relation to benefits contemplated by the proposed resolution 4.

#### **Cautionary Notes**

The directors recognise and acknowledge the importance of shareholders making their decision on the basis of the best possible information. However, once this material for the Notice of Meeting and Explanatory Memorandum is prepared and despatched to shareholders, the Company has no legal obligation to continuously update the content of this material nor is it practical and logistically possible to do that and inform each shareholder individually.

By its nature, the exploration industry is subject to numerous risks and the Company's share price is affected by a range of factors. From the time of preparing this material to the date of the Annual General Meeting, the Company's share price may go up or down. The Company will continue to comply with its continuous disclosure obligations and make appropriate announcements to the ASX.

Shareholders are strongly encouraged to keep track of any announcements that the Company may make and of the Company's share price up to the date of the Annual General Meeting as that information may have an effect on the calculations and the data that is provided in this Notice and the Explanatory Memorandum. If you do not understand the effect of such information, you should consult your professional advisor.



**APPENDIX A**  
**TERMS AND CONDITIONS OF OPTIONS (RESOLUTION 4)**

The material terms and conditions of the Options are as follows:

1. Each option entitles the holder ("Optionholder") to subscribe for and be allotted one ordinary share in the capital of Burey Gold Limited (the "Company") at a price of \$0.20 per share from 25 November 2011 (1<sup>st</sup> anniversary of the proposed date of grant) until 31 March 2013 (the "Expiry Date").
2. The options are exercisable at any time during the exercise period noted above by notice in writing to the Directors accompanied by payment of the exercise price.
3. Shares will be allotted and issued pursuant to the exercise of options not more than 10 business days after receipt of a properly executed notice of exercise and payment of the requisite application moneys.
4. The options are not transferable, except to a spouse of the Optionholder or a company wholly owned by the Optionholder and his spouse. The options will lapse upon the the expiration of 30 days after the date the Optionholder ceases to provide services to the Company.
5. Shares issued upon exercise of the options will rank pari passu in all respects with the Company's fully paid ordinary shares. The Company will apply for Official Quotation by ASX of all Shares issued upon the exercise of options within 3 business days after the date of allotment of those shares.
6. There are no participating rights or entitlements inherent in the options and holders will not be entitled to participate in new issues of capital offered or made to the shareholders during the currency of the options. However, the Company will send a notice to the Optionholder at least 9 business days before the record date for any proposed issue of capital on an entitlement basis. This will give the Optionholder the opportunity to exercise his options (subject to the exercise period referred to above) prior to the date for determining entitlements to participate in any such issue.
7. There are no rights to a change in the exercise price, or in the number of shares over which the options can be exercised, in the event of a bonus issue by the Company prior to the exercise of any options.
8. In the event of any reorganisation of the issued capital of the Company on or prior to the Expiry Date, the rights of the Optionholder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of the reorganisation.
9. The Optionholder is entitled to exercise the options prior to the commencement of the exercise period referred to in (1) above if a takeover bid under Chapter 6 of the Corporations Act is made for the Company and either:
  - (a) the offeror has at the time of making the takeover bid a voting power of more than 50% in the Company; or
  - (b) if sub-clause (a) does not apply, the bid is or becomes free of defeating conditions.
10. The Optionholder (or his successor in title) is entitled to exercise the Options prior to the commencement of the exercise period referred to in (1) above in the event of death or total and permanent disablement of the Optionholder.

**PROXY FORM**

**Shareholder**

Name and address of shareholder of  
Burey Gold Limited

Name \_\_\_\_\_

Address \_\_\_\_\_

**Appointment of Proxy**

I/We being a member/s of Burey Gold Ltd and entitled to attend and vote hereby appoint

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

**OR**

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding your own name) you are appointing as your proxy.

Or failing the individual or body corporate named, or if no individual or body corporate 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 Annual General Meeting of Burey Gold Ltd to be held on 25 November 2010 and at any adjournment of that meeting.

If the Chair of the Meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box →→

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolutions and votes cast by him other than as proxy holder will be disregarded because of that interest. **The Chairman of the Meeting intends to vote any such undirected proxies in favour of all the resolutions.**

If you do not mark the above box and you have not directed your proxy how to vote in the boxes below, the Chairman of the Meeting will not cast your votes on the resolutions and your votes will not be counted in computing the required majority if a poll is called.

**Voting directions to your proxy – please mark  to indicate your directions**

|   | For                      | Against                  | Abstain*                 |
|---|--------------------------|--------------------------|--------------------------|
| Resolution 1 – Adoption of Remuneration Report                              | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 – Re-election of R N Gajewski                                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 – Renewal of Employee Option Plan                              | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 – Approval for the Issue of Options to Director, Mr N Ferguson | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

\* If you mark the Abstain box for a particular item, 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 Securityholder 1

Sole Director and  
Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Dated: \_\_\_/\_\_\_/2010

# How to complete the Proxy Form

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## 1 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. 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 securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

## 2 Votes on Items of Business

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

## 3 Appointment of a Second Proxy

You are entitled to appoint up to two 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.

## 4 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 securityholders 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 a corporate Securityholder or proxy 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.

## Lodgment of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 10.30am on 23 November 2010. Any Proxy Form received after that time will not be valid for the scheduled meeting.

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### Documents may be lodged:

IN PERSON: Registered Office – 30 Ledger Road, Balcatta, Western Australia 6021

BY MAIL: Registered Office - 30 Ledger Road, Balcatta, Western Australia 6021 / P O Box 717, Balcatta, Western Australia 6914

BY FAX (61 8) 9240 2406