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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Nagambie Mining Limited (*Company*) will be held at Level 9, 469 Latrobe Street, Melbourne, Victoria at 11am on Friday, 26 October 2012.

BUSINESS:

A. ACCOUNTS AND REPORTS

Financial and related reports

To table the financial report of the Company and the related reports of the Directors and auditors for the year ended 30 June 2012 and to provide members with the opportunity to raise any issues or ask any questions generally of the Directors.

B. NON-BINDING RESOLUTION

To consider and, if thought fit, pass Resolution 1 as a non-binding resolution.

1. Adoption of Remuneration Report

'That for the purposes of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report for the financial year ended 30 June 2012 be adopted.'

C. ORDINARY RESOLUTIONS

To consider and, if thought fit, pass Resolutions 2, 3, 4 and 5 as ordinary resolutions,

2. Re-election of Mr Geoff Turner

'That Mr Geoff Turner, a Director retiring by rotation in accordance with the Company's Constitution and being eligible and having signified his candidature for the Office, be and is hereby re-elected a Director of the Company.'

3. Re-election of Mr Colin Glazebrook

'That Mr Colin Glazebrook, a Director retiring by rotation in accordance with the Company's Constitution and being eligible and having signified his candidature for the Office, be and is hereby re-elected a Director of the Company.'

4. Ratification of past issue of Unsecured Convertible Notes

'That for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval be given in respect of the issue of 25,000,000 Convertible Notes issued on 4 May 2012 on the terms and conditions set out in the Explanatory Notes.'

5. Issue of Options to Directors

'That for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act 2001 and all other purposes, approval be given in respect of the issue of options to the Directors of the Company as follows:

- a) 1,000,000 to Mr Michael Trumbull;*
- b) 1,000,000 to Mr Colin Glazebrook;*
- c) 1,000,000 to Mr Geoff Turner; and*
- d) 1,000,000 to Mr Kevin Perrin,*

on the terms and conditions set out in the Explanatory Notes.'

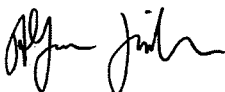
D. SPECIAL RESOLUTION

To consider, and if thought fit, pass Resolution 6 as a special resolution.

6. Approval of 10% Placement Capacity

'That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, approval be given for the issue of equity securities of up to 10% of the issued capital of the Company (at the time of the issue or the agreement to issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.'

By Order of the Board



Alfonso Grillo

Company Secretary

24 September 2012

EXPLANATORY NOTES

These Explanatory Notes form part of the Notice of Annual General Meeting dated 24 September 2012 and should be read in conjunction with that Notice as these Explanatory Notes contain important information on the proposed Resolutions.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The Company is required to include in its Directors Report a detailed Remuneration Report relating to remuneration received by the Company's key management personnel. Section 300A of the *Corporations Act* sets out the information required to be included in the Remuneration Report. A copy of the Remuneration Report appears in the Company's Annual Report for the year ended 30 June 2012.

Sections 249L(2) and 250R(2) of the *Corporations Act* require that a resolution that the Remuneration Report be adopted be put to a vote of shareholders at the Company's annual general meeting. The vote on this resolution is advisory to the Company only, and does not bind the Board.

Under section 250SA of the *Corporations Act*, shareholders must be given a reasonable opportunity to ask questions about, and make comments on, the Remuneration Report. This is in addition to any questions or comments that shareholders may have in relation to the management of the Company.

1.1. Voting Prohibition

A vote on Resolution 2 must not be cast by or on behalf of either of the following persons:

- (a) a member of the key management personnel details of whose remuneration are included in the remuneration report; or
- (b) a closely related party (such as close family members and any controlled companies) of those persons.

unless the vote is cast by a person as proxy for a person entitled to vote in accordance with the direction on the proxy form.

2. RESOLUTION 2 – RE-ELECTION OF MR GEOFF TURNER

Rule 16 of the Constitution requires at least one third of the Directors to retire each year (by rotation). Mr Geoff Turner retires this year in accordance with this rule, and is permitted to seek re-election. Personal particulars for Mr Turner are set out in the Directors information included in the Company's Annual Report.

3. RESOLUTION 3 – RE-ELECTION OF MR COLIN GLAZEBROOK

Rule 16 of the Constitution requires at least one third of the Directors to retire each year (by rotation). Mr Colin Glazebrook retires this year in accordance with this rule, and is permitted to seek re-election. Personal particulars for Mr Glazebrook are set out in the Directors information included in the Company's Annual Report.

4. RESOLUTION 4 – RATIFICATION OF PAST ISSUE OF UNSECURED CONVERTIBLE NOTES

Approval is sought pursuant to ASX Listing Rule 7.4 for the past issue of 25,000,000 Unsecured Convertible Notes (*Notes*) issued on 4 May 2012 to the entities outlined in these Explanatory Notes. Such approval will enable the Company to refresh its ability to issue further securities in the future without seeking shareholder approval in accordance with ASX Listing Rule 7.1.

4.1. Listing Rule 7

Subject to a number of exceptions, Listing Rule 7.1 limits the number of securities that the Company can issue without shareholder approval in any 12 month period to 15% of its issued securities.

ASX Listing Rule 7.4 allows for shareholders to retrospectively approve an issue of securities, provided that the issue was not in breach of ASX Listing Rule 7.1. The issue of the Notes considered by Resolution 4 did not breach ASX Listing Rule 7.1. Shareholders are being asked to approve the issue of the Notes in accordance with ASX Listing Rule 7.4.

If the Notes issued on 4 May 2012 are treated as having been issued with shareholder approval pursuant to ASX Listing Rule 7.4, the Company's capacity to issue further securities is restored. The Company does not presently propose to issue further securities without shareholder approval, however the Directors consider it prudent to retain the capacity to issue further securities and accordingly seek shareholder approval of the issue of Notes as set out in Resolution 4.

4.2. Issue of Notes

The Company provides the following information in relation to the issue of the Notes:

(a) **Number of securities**

The number of securities for which shareholder approval is being sought is 25,000,000 Notes.

(b) **Date of Issue**

The Notes were issued on 4 May 2012.

(c) **Consideration**

The Notes were issued at \$0.03 (three cents) per Note.

(d) **Terms of the securities issued**

Each Note may be converted into one ordinary share in the capital of the Company at the election of the Noteholder.

Unless converted or redeemed earlier, the Notes will be redeemed by the Company on 4 May 2017.

Noteholders are entitled to interest at 10% per annum, payable every 6 months after 4 May 2012.

If the Notes are converted into ordinary shares in the capital of the Company, the resulting ordinary shares will rank equally in all respects with the Company's then existing fully paid ordinary shares.

(e) **Names of the allottees**

The Notes were issued to the entities as set out in the table below:

Name of Noteholder	Number of Notes issued
PPT Nominees Pty Ltd	16,666,667
Cairnglen Investments Pty Ltd <Woodford Super Fund A/C>	1,666,666
Zero Nominees Pty Ltd	6,666,667
Total Notes issued:	25,000,000

(f) **Use of Funds Raised**

The funds raised have and are being used primarily to fund priority exploration work, including the Nagambie South Project, and to provide additional working capital.

(g) **Recommendation**

The Board, excluding Mr Perrin, recommends that shareholders approve the past issue of Notes as proposed by Resolution 3.

Mr Perrin does not make a recommendation to shareholders in relation to Resolution 4. Mr Perrin is one of 6 directors of PPT Nominees Pty Ltd which is a nominee company that is used for carrying out investment activities on behalf of numerous clients of Prowse Perrin Twomey, an accounting practice at which Mr Perrin is a consultant. Mr Perrin does not control PPT Nominees Pty Ltd and as such PPT Nominees Pty Ltd is not deemed to be a related party of the Company. Although he has no material personal interest in the outcome of Resolution 4, Mr Perrin is unable to make a recommendation in relation to Resolution 4.

4.3. Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 4 by:

- (a) a person who participated in the issue; and
- (b) an associate of a person who participated in the issue.

However the Company need not disregard a vote if:

- (c) 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
- (d) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

5. RESOLUTION 5 – ISSUE OF OPTIONS TO DIRECTORS

5.1. ASX Listing Rule 10.11

Approval is sought pursuant to ASX Listing Rule 10.11 for the issue of 4,000,000 Options to Directors of the Company.

Pursuant to Listing Rule 10.11 the Company may not issue securities to a related party without the prior approval of the shareholders. Resolution 5 seeks shareholder approval in accordance with ASX Listing Rule 10.11. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

5.2. Issue of Options

The following information is provided in accordance with ASX Listing Rule 10.13:

(a) **Name of the person**

The Options will be issued to the existing Directors of the Company (or their nominees).

(b) **Number of securities to be issued**

4,000,000 Options are to be divided among the Directors as follows:

- a) 1,000,000 Options to Mr Michael Trumbull (or nominee);
- b) 1,000,000 Options to Mr Colin Glazebrook (or nominee);
- c) 1,000,000 Options to Mr Geoff Turner (or nominee); and
- d) 1,000,000 Options to Mr Kevin Perrin (or nominee).

(c) **Maximum number of securities to be issued upon exercise of Options**

Upon exercise, the Options may be converted into a maximum of 4,000,000 fully paid ordinary shares ranking equally in all respects with the existing fully paid ordinary shares in the Company.

(d) **Date of issue and allotment**

Subject to obtaining shareholder approval, the Company will issue and allot the Options within one month of the date of the Meeting.

(e) **Issue price and terms of issue**

The Options will be issued without consideration. The Options are exercisable at the greater of 150% of the Company's last share price immediately preceding the date of issue or \$0.10 before the fifth anniversary of their date of issue.

Full terms and conditions of the Options are detailed at Annexure A.

(f) **Intended use of the funds raised**

Any funds raised from the exercise of the Options will be applied towards the Company's working capital requirements.

(g) Voting exclusion statement

The Company will disregard any votes cast on Resolution 5 by:

- a) a person who is to receive securities in relation to the Company; and
- b) an associate of that person (or those persons).

However, the Company need not disregard a vote if:

- c) 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
- d) 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 for to vote as the proxy decides.

5.3. Chapter 2E of the Corporations Act 2001

Chapter 2E of the Act prohibits a public company from giving a financial benefit to any of its related parties unless a relevant exception applies.

The term *financial benefit* is widely defined and includes the issue of securities such as options. The term *related party* includes a director of the Company.

The prohibition does not apply where a resolution is passed by the Company permitting the benefit to be given. Accordingly Resolution 5 is being proposed for the purpose of obtaining shareholder approval for the purposes of Chapter 2E of the Act.

Section 219 of the Act requires the following information to be provided to shareholders:

(a) Related Party

The following persons are Directors of the Company and are therefore the related parties to whom a financial benefit will be given under Resolution 5:

- a) Mr Trumbull;
- b) Mr Turner;
- c) Mr Glazebrook; and
- d) Mr Perrin.

(b) Nature of the Financial Benefit

The financial benefit to be given to the Directors of the Company pursuant to Resolution 5 is as follows:

- a) Mr Trumbull – the issue of 1,000,000 Options;
- b) Mr Turner – the issue of 1,000,000 Options;
- c) Mr Glazebrook – the issue of 1,000,000 Options;
- d) Mr Perrin – the issue of 1,000,000 Options.

The terms and conditions of the Options are described under item 5.2(e) above.

The purpose of the issue is to remunerate Directors as an incentive for future services. The Directors consider it important that the Company is able to attract and retain people of the highest calibre.

The Directors consider that the most appropriate means of achieving this is to provide the directors with an opportunity to participate in the Company's future growth and give them an incentive to contribute to that growth.

The issue of options as part of the remuneration packages of directors is a well established practice of junior public listed companies and, in the case of the Company, has the benefit of conserving cash whilst rewarding directors.

In determining the number of options to be granted, consideration was given to the relevant experience of the Directors, the respective overall remuneration and the terms of the options.

(c) Directors' Recommendation, Reasons for Recommendation and Directors' Interests

The Directors of the Company are unable to make a recommendation as to whether Shareholders should approve Resolution 5 as each Director of the Company has an interest in the outcome of Resolution 5.

(d) Independent Expert Report

The Company has commissioned DMR Corporate Ltd to provide an Independent Expert's Report in relation to the issue of Options proposed by Resolution 5. The Independent Expert Report is enclosed.

These Explanatory Notes and the Independent Expert's Report aim to provide Shareholders with all information that is reasonably required by Shareholders to decide whether or not it is in the Company's interests to pass Resolution 5. In particular, the

Independent Expert's Report provides a valuation of the Options to be issued pursuant to Resolution 5.

The Independent Expert has assessed the value of each Option at \$0.0043, or \$4,300 for the parcel of 1,000,000 Options to be issued to each Director. This valuation is based on the following variables and assumptions being considered:

- (i) the current share price of the underlying shares;
- (ii) the exercise price of the Options;
- (iii) the volatility of the share price;
- (iv) the vesting conditions;
- (v) the time to maturity;
- (vi) the risk free rate of interest;
- (vii) the expected dividend yield; and
- (viii) an exercise price multiple.

(e) Trading History

At the close of trading on the date preceding the date of printing of this Notice, the Share price of the Shares in the Company was \$0.019. In the 12 months prior to the date of this Notice, the Shares in the Company traded at a high of \$0.032 between 10 November 2011 and 9 December 2011 and a low of \$0.017 between 8 February 2012 and 15 February 2012.

(f) Opportunity Cost

The Directors do not consider that there are any material opportunity costs to the Company or benefits foregone by the Company in issuing the Options pursuant to Resolution 5.

(g) Taxation Consequences

The Directors are not aware of any taxation consequences that will arise from the issue of Options pursuant to Resolution 5.

(h) Director's interest in the Shares of the Company

The table below illustrates the following:

- (i) the first column sets out each Director in the Company;
- (ii) the second column sets out the relevant interest of each Director in the securities of the Company;
- (iii) the third column sets out the number of Options to be issued to each Director pursuant to Resolution 5;
- (iv) the fourth column sets out the relevant interest held by each Director if the Options are issued to that Director pursuant to Resolution 5. Please note also that the Company is currently conducting a rights issue which entitles Eligible Shareholders to acquire 1 New Share in the Company for every 3 Shares held at a price of \$0.02 (*Rights Issue*). The Company anticipates that confirmation statements in relation to the Rights Issue will be issued on 2 October 2012. The figures in this column are on the basis that the Rights Issue is fully subscribed;
- (v) the fifth column sets out that if the Options are issued to that Director and that Director exercises all of their Options (including the existing Options held by that Director) but none of the Options held by the other Directors are exercised, the increase in the total Shares on issue in the Company. The examples given are based on the Rights Issue being 50% subscribed and 100% subscribed; and
- (vi) the sixth column sets out the Director's relevant interest percentage in the Shares of the Company if the Director exercises all of their Options but none of the Options held by the other Directors are exercised. The Company anticipates that confirmation statements in relation to the Rights Issue will be issued on 2 October 2012. The examples in this column are on the basis that the Rights Issue is 50% subscribed and 100% subscribed. In the event that the Rights Issue is not fully subscribed, the Relevant Interest of each director will differ from the amounts set out in the examples.

Director	Current Relevant Interest		Options to be issued pursuant to Resolution 4	Relevant Interest post issue of Options the subject of Resolution 5		Total Shares on Issue if all Options exercised ¹		% Relevant Interest if all Options exercised	
	Shares	Existing Options		Shares ²	Options	50% Rights Issue subscription	100% Rights Issue subscription	50% Rights Issue subscription	100% Rights Issue subscription
Mr Trumbull ³	17,265,192	3,500,000	1,000,000	23,020,256 ⁴	4,500,000	201,503,274	229,646,599	13.7	12.0
Mr Turner	602,084	3,500,000	1,000,000	802,779	4,500,000	201,503,274	229,646,599	2.6	2.3
Mr Glazebrook	779,167	5,000,000	1,000,000	1,038,889	6,000,000	203,003,274	231,146,599	3.5	3.0
Mr Perrin	7,544,834	2,000,000	1,000,000	10,059,779	3,000,000	200,003,274	228,146,599	6.5	5.7

1 Assumes that none of the Options issued to other Directors are exercised.

2 Assumes that each of the Directors takes up their full entitlement under the Rights Issue.

3 Michael Trumbull has an indirect interest in the Shares held by Cypron Pty Ltd (of which Mr Trumbull is a director and shareholder), which holds 6,690,192 Shares on its own behalf and 10,575,000 Shares as trustee for the MW Trumbull Superannuation Fund.

4 Although Cypron has not committed to taking up its full entitlement in relation to the 6,690,192 Shares it holds on its own behalf pursuant to the Rights Issue, these figures assume that Cypron takes up its full entitlement. If it does not take up its full entitlement, Mr Trumbull's relevant interest will be less than indicated in this table.

(i) Directors' Remuneration

As at the date of the Notice of Meeting, the remuneration to be paid for the 2011/2012 fiscal year (inclusive of superannuation and director fees where applicable) to the Directors, or companies controlled by those individuals is as follows:

Director	Remuneration
Mr Trumbull	\$90,938
Mr Turner	\$128,536 *
Mr Glazebrook	\$205,109
Mr Perrin	\$50,880

**This includes fees paid to Exploration Management Services Pty Ltd ('EMS') a company controlled by Mr Turner for geological consulting work provided by Mr Turner and other EMS personnel.*

It is anticipated that the remuneration to be paid to Directors for the 2012/2013 fiscal year (inclusive of superannuation and director's fees where applicable) will be similar to the fees set out in the table above.

5.4. Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by:

- Mr Trumbull, Mr Turner, Mr Glazebrook and Mr Perrin; and
- an associate of Mr Trumbull, Mr Turner, Mr Glazebrook and Mr Perrin.

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.

6. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY

6.1. ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables an eligible entity to issue equity securities up to 10% of its issued share capital (at the time of the issue or the agreement to issue) through

placements over a 12 month period after the annual general meeting (*10% Placement Capacity*). The 10% Placement Capacity is in addition to the Company's 15% placement capacity pursuant to Listing Rule 7.1.

The effect of Resolution 6 will be to allow the Directors to issue equity securities under Listing Rule 7.1A during the period of 12 months following the Annual General Meeting without using the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company hereby seeks shareholder approval by way of a special resolution to have the ability to issue equity securities under the 10% Placement Capacity.

The exact number of equity securities that may be issued pursuant to the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 which provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of equity securities calculated as follows:

$$(A \times D) - E$$

where

A is the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement:

- plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid shares that became fully paid in the 12 months;
- plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 or 7.4. This does not include an issue of fully paid shares under the Company's 15% placement capacity without shareholder approval;
- less the number of fully paid shares cancelled in the 12 months;

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of equity securities issued or agreed to be issued under rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are *not* issued with the approval of holders of ordinary securities under rule 7.1 or 7.4.

Any equity securities issued under the 10% Placement Capacity must be in an existing quoted class of the Company's equity securities. The Company presently has only one class of quoted securities being fully paid ordinary shares.

If the Company issues any equity securities under the 10% Placement Capacity, the entity must, pursuant to Listing Rules 7.1A(4) and 3.10.5A:

- (a) give to the ASX a list of the allottees of the equity securities and the number of equity securities to be allotted to each (but this list is not required to be released to the market); and
- (b) disclose to the market the details of the dilution to the existing holders of ordinary securities caused by the issue; where the equity securities are issued for cash consideration, a statement of the reasons why the eligible entity issued the equity securities as a placement rather than as a pro rata issue; the details of any underwriting arrangements and fees payable to the underwriter; and any other fees or costs incurred in connection with the issue.

6.2. Minimum Price

The issue price of each such security must be no less than 75% of the volume weighted average price for securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the securities are to be issued is agreed; or
- (b) if the securities are not issued within 5 trading days of the date in paragraph (a), the date on which the securities are issued.

6.3. Risk of economic and voting dilution of existing ordinary security holders

If Resolution 6 is approved and the Company issues equity securities under the 10% Placement Capacity, there is a risk that:

- (a) the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the Annual General Meeting; and
- (b) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the equity securities.

The table below shows the potential dilution of existing ordinary security holders on the basis of the current market price of Shares and the current number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows two examples of:

- (a) the dilution effects where variable 'A' is the number of Shares on issue assuming the Rights Issue is fully subscribed, and where variable 'A' is increased by 50% and 100% based on the number of Shares on issue assuming the Rights Issue is fully subscribed; and
- (b) the dilution effects where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price on 17 September 2012.

		\$0.0095 Issue Price	\$0.019 Issue Price	\$0.0285 Issue Price
225,146,599 being Variable A assuming fully subscribed Rights Issue	10% Voting Dilution	22,514,660 Shares	22,514,660 Shares	22,514,660 Shares
	Funds raised	\$213,889	\$427,779	\$641,668
	10% Voting Dilution	33,771,900 Shares	33,771,900 Shares	33,771,900 Shares
337,719,899 being a 50% increase in Variable A assuming fully subscribed Rights Issue	Funds raised	\$320,833	\$641,666	\$911,841
	10% Voting Dilution	45,029,320 Shares	45,029,320 Shares	45,029,320 Shares
	Funds raised	\$427,779	\$855,557	\$1,283,336
450,293,198 being a 100% increase in Variable A assuming fully subscribed Rights Issue	10% Voting Dilution	45,029,320 Shares	45,029,320 Shares	45,029,320 Shares
	Funds raised	\$427,779	\$855,557	\$1,283,336

The table has been prepared on the following assumptions:

- (a) The Company issues the maximum number of equity securities available under the 10% Placement Capacity.
- (b) No options (including any options issued under the 10% Placement Capacity) are exercised into shares before the date of the issue of equity securities.
- (c) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (d) The table does not show examples of dilution that may be caused to a particular shareholder by reason of placements under the 10% Placement Capacity based on that shareholder's holding at the date of the Annual General Meeting.
- (e) The table shows only the effect of issue of equity securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (f) The issue of equity securities under the 10% Placement Capacity consists only of shares.

6.4. Timing

The Company may only issue equity securities pursuant to the 10% Placement Capacity within 12 months of the date of this Annual General Meeting. Further, the approval will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

6.5. Use of Funds

The Company may use the funds raised from the issue of equity securities pursuant to the 10% Placement Capacity for working capital, for further gold exploration in central Victoria, and to identify and assess potential growth opportunities.

Subject to satisfaction of any other applicable regulatory requirements, the Company may also issue securities for non-cash consideration for the acquisition of new resources assets and investments. In such circumstances, the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

6.6. Allocation Policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (a) the methods of raising funds that are available to the Company including but not limited to rights issues or other issues in which existing securityholders can participate;
- (b) the effect of the issue of the equity securities on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, financial and broking advisors (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice of Meeting, but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Further if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Capacity will be the vendors of the new resources assets or investments.

6.7. Previous issues pursuant to Rule 7.1A

The Company has not previously obtained Shareholder approval in relation to Listing Rule 7.1A.

6.8. Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution 6 by a person (and any associates of such a person) who may participate in the 10% Placement Capacity and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

- (b) it is cast by the Chairman 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.

At the date of this Notice, the Company has not approached any particular existing Shareholder or securityholder or an identifiable class or existing securityholder to participate in the issue of the equity securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.

GENERAL NOTES

Entitlement to Vote

The Company has determined in accordance with Part 7.11 of the Corporations Regulations that for the purpose of voting at the meeting, shares will be taken to be held by those persons recorded on the Company's register as at 7pm on Wednesday, 24 October 2012.

Corporate Representatives

For a corporate representative to vote, they will require a Certificate of Appointment of Corporate Representative executed in accordance with the *Corporations Act*.

Voting

On a show of hands, every member present in person or by proxy or by attorney or, in the case of a corporation, by duly appointed representative, shall have one vote and on a poll one vote for every share held provided that if a member appoints two proxies or two attorneys, neither proxy nor attorney shall be entitled to vote on a show of hands.

Proxies

A member entitled to attend and vote at the Annual General Meeting may appoint one or two persons to attend and vote at the meeting as the member's proxy. If you wish to appoint a second proxy you will need to complete a second form. Advanced Share Registry Limited will provide additional proxy forms upon request.

A proxy need not be a member. If two proxies are appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. If the vote split is not specified, it is deemed to be equally divided between the two proxies.

The Proxy Form must be deposited at the share registry of the Company, Advanced Share Registry Limited, located at 150 Stirling Highway, Nedlands, WA, 6009 or by mail to PO Box 1156, Nedlands, WA, 6909 or by facsimile to Advanced Share Registry Limited on (08) 9389 7871 by no later than 11am on Wednesday, 24 October 2012.

Shareholders and their proxies should note that new sections 250BB and 250BC of the Corporations Act apply to voting by proxy. In particular:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote as directed;
- (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 chair of the meeting at which the resolution is voted on, the proxy must vote on a poll and must vote as directed; and
- (d) if the proxy is not the chair, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote as directed.

If a proxy is also a member, this subsection does not affect the way that the person can cast any votes they hold as a member.

If an appointment of a proxy specifies the way the proxy is to vote on a particular resolution and

- (a) the appointed proxy is not the chair of the meeting;
- (b) at the meeting, a poll is duly demanded on the resolution and either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

ANNEXURE A OPTION TERMS

1. Interpretation

- (a) *ASX* means ASX Limited (ACN 008 624 691);
- (b) *Board* means the board of directors of the Company;
- (c) *Business Day* means a day not being a Saturday, Sunday or public holiday, on which banks are generally open for business in Victoria;
- (d) *Corporations Act* means the Corporations Act 2001 (Cth) as amended from time;
- (e) *Listing Rules* means the official listing rules of the ASX;
- (f) *Official List* has the meaning given to that term in the Listing Rules;
- (g) *Option* and *Options* means the options to be issued to the Optionholder on the terms detailed in these Terms of Options;
- (h) *Quotation* has the meaning given to that term in the Listing Rules;
- (i) *Shareholder* and *Shareholders* means a person who owns shares in the capital of the Company, notwithstanding that those shares may not be fully paid; and
- (j) *Shares* means fully paid ordinary shares in the capital of the Company.

Terms of Options

2. Entitlement

- 2.1.** Each Option entitles the Optionholder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.
- 2.2.** Shares issued on the exercise of Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

3. Exercise of Option

- 3.1.** The Options are exercisable at any time from the date of issue.

- 3.2.** The final date and time for exercise of the Options is 5pm on the five year anniversary date of the issue of the Options. If such date falls on a day that is not a Business Day, the final date will be the next Business Day.
- 3.3.** The exercise price of each Option is the greater of 150% of the Company's last share price immediately preceding the date of issue or \$0.10.
- 3.4.** Each Option is exercisable by the Optionholder signing and delivering a notice of exercise of Option together with the exercise price in full for each Share to be issued upon exercise of each Option to the Company's share registry.
- 3.5.** Remittances must be made payable to 'Nagambie Mining Limited' and cheques should be crossed 'Not Negotiable'.
- 3.6.** All Options will lapse on the earlier of the:
- (a) receipt by the Company of notice from the Optionholder that the Optionholder has elected to surrender the Options;
 - (b) expiry of the final date and time for exercise of the Option as set out in paragraph 7.2;
 - (c) the termination of the Optionholder's engagement with the Company in circumstances which the Board considers to involve fraud, dishonesty or other serious misconduct which would constitute sufficient cause for an employer to dismiss an employee without notice; or
 - (d) unless otherwise determined by the Board, the expiration of 30 days after termination of the Optionholder's engagement with the Company for any other reason other than those detailed in paragraph 7.6(c).
- 3.7.** In the event of liquidation of the Company, all unexercised Options will lapse.

4. Quotation

- 4.1.** The Company will not apply to the ASX for official quotation of the Options.
- 4.2.** If the Shares of the Company are quoted on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any Options within 10 business days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

5. Participation in Securities Issues

Subject to paragraph 10 below, the holder is not entitled to participate in new issues of securities without exercising the Options.

6. Participation in a Reorganisation of Capital

6.1. In the event of any reconstruction or reorganisation (including consolidation, sub-division, reduction or return of the capital of the Company), the rights of an Optionholder will be changed in accordance with the Listing Rules of the ASX applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the Options do not result in any benefit being conferred on the Optionholder which is not conferred on shareholders of the Company.

6.2. In any reorganisation as referred to in paragraph 10.1, Options will be treated in the following manner:

- (a) in the event of a consolidation of the share capital of the Company, the number of Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
- (b) in the event of a subdivision of the share capital of the Company, the number of Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
- (c) in the event of a return of the share capital of the Company, the number of Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
- (d) in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled the number of Options and the exercise price of each Option will remain unaltered;
- (e) in the event of a pro-rata cancellation of shares in the Company, the number of Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each Option will be amended in inverse proportion to that ratio; and
- (f) in the event of any other reorganisation of the issued capital of the Company, the number of Options or the exercise price or both will be reorganised (as

appropriate) in a manner which will not result in any benefits being conferred on the Optionholder which are not conferred on shareholders.

7. Adjustments to Options and Exercise Price

- 7.1.** Adjustments to the number of Shares over which Options exist and/or the exercise price may be made as described in paragraph 11.2 to take account of changes to the capital structure of the Company by way of pro-rata bonus and cash issues.
- 7.2.** The method of adjustment for the purpose of paragraph 11.1 shall be in accordance with the Listing Rules of the ASX from time to time, which, under Listing Rules 6.22.2 and 6.22.3, currently provide:

(a) Pro Rata Cash Issues

Where a pro-rata issue is made (except a bonus issue) to the holders of underlying securities, the exercise price of an Option may be reduced according to the following formula:

$$O' = O - \frac{E[P-(S+D)]}{N + 1}$$

where:

- O'** = the new exercise price of the Option.
- O** = the old exercise price of the Option.
- E** = the number of underlying securities into which one Option is Exercisable.
- P** = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex rights date or ex entitlements date.
- S** = the subscription price for a security under the pro-rata issue.
- D** = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro-rata issue).
- N** = the number of securities with rights or entitlements that must be held to receive a right to one new security.

(b) **Pro-Rata Bonus Issues**

If there is a bonus issue to the holders of the underlying securities, on the exercise of any Options, the number of Shares received will include the number of bonus Shares that would have been issued if the Options had been exercised prior to the record date for bonus issues. The exercise price will not change.

8. Takeovers and Schemes of Arrangement

8.1. If during the currency of any Options and prior to their exercise a takeover offer or a takeover announcement (within the meaning of the Corporations Act) is made to holders of Shares then within 10 Business Days after the Company becomes aware of the offer, the Company must forward a notice notifying the Optionholder of the offer and from the date of such notification, the Optionholder has 60 days within which to exercise the Options notwithstanding any other terms and conditions applicable to the Options or arrangement. If the Options are not exercised within 60 days after notification of the offer, the Options may be exercised at any other time according to their terms of issue.

8.2. If an offer for shares in the Company is made to Shareholders pursuant to a scheme of arrangement which has been approved in accordance with the Corporations Act, the Optionholder will be entitled to exercise Options held by him/her within the period notified by the Company.

9. Transfers not permitted

The Options are not transferable.

10. Notices

Notices may be given by the Company to the Optionholder in the manner prescribed by the Constitution of the Company for the giving of notices to Shareholders and the relevant provisions of the Constitution of the Company will apply with all necessary modification to notices to be given to the Optionholder.

11. Rights to Accounts

The Optionholder will be sent all reports and accounts required to be laid before Shareholders in general meeting and all notices of general meeting of Shareholders, however, if the Optionholder is not a Shareholder, it will not have any right to attend or vote at these meetings.

DMR CORPORATE

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DMR Corporate Pty Ltd	A.C.N. 063 564 045
470 Collins Street	
Melbourne	Telephone (03) 9629 4277
Victoria 3000	Facsimile (03) 9629 4598
Australia	Web www.dmrcorporate.com.au

6 September 2012

The Directors
Nagambie Mining Limited
533 Zanelli Road
Nagambie
VIC 3608

Dear Sirs

Value of Options

1. Introduction

- 1.1 We have been requested by Mr. Alfonso Grillo, Company Secretary of Nagambie Mining Limited ("Nagambie" or the "Company") to provide Nagambie with independent advice in respect of the fair value (as defined in Appendix A of AASB 2) of the 1,000,000 options proposed to be issued to each of the Company's four Directors, Messrs. Trumbull, Glazebrook, Turner and Perrin. Shareholder approval is being sought for the issue of the options at the Annual General Meeting to be held on or about 16 October 2012.
- 1.2 We understand the options are to be issued on the terms and conditions summarised below:
- the options are exercisable at the greater of \$0.10 per share or 150% of the Company's closing share price on the day prior to the date of issue of the options;
 - the options vest immediately upon issue;
 - the options expire five years from the date of issue;
 - the options will be unlisted; and
 - the options are not transferrable and lapse 30 days after the holder ceases to be a Director of Nagambie.
- 1.3 The options will be granted to Directors of the Company and must therefore be recognised for accounting purposes in accordance with Australian accounting standards, in particular AASB 2 'Share-based Payment'. AASB 2 requires options to be valued as at their grant date. A valuation as at an assumed grant date for the purposes of shareholder approval is completed in order to advise the shareholders of the approximate value of the option benefits that they are being asked to approve. If the options are approved and subsequently issued, another valuation as at the grant date must be completed, for the purposes of expensing the options in the company's accounts.

2. Valuation Methodology

- 2.1 Options are generally valued using one of a number of option pricing models and AASB 2 does not mandate the use of a particular model in valuing employee options.
- 2.2 We have reviewed the terms of the options and based on this review we have concluded that there is a reasonable probability that the options may be exercised before their expiry date. Our principal reason for this view is the lack of transferability of the options and the fact that they lapse following cessation of employment. Our view that the options may be exercised early is supported by empirical evidence, which shows that employee and director options are often exercised well before their expiry date. For this reason we have valued the options using a binomial model, which has been tailored specifically for use in valuing employee and director options.
- 2.3 The binomial model used incorporates the Hull-White adjustment. The Hull-White adjustment requires an assumption to be made that the options will be exercised when the share price reaches a selected multiple of the option exercise price.
- 2.4 The model used determines the value of an option as a function of the following variables:
- 1) the current share price of the underlying shares
 - 2) exercise price of the option
 - 3) volatility of the share price
 - 4) vesting conditions
 - 5) time to maturity
 - 6) risk free rate of interest
 - 7) expected dividend yield
 - 8) an exercise price multiple

3. Assumptions used

- 3.1 Set out below is a discussion of each of the variables and the assumptions that we have selected in applying the binomial model.
- 3.2 The current share price of the underlying shares

Nagambie is a limited liability company incorporated in Australia and its securities are listed on the Australian Securities Exchange ("ASX").

The volume weighted average share price ("VWAP") (based on closing daily prices) for the 30-day period ended 4 September 2012 was \$0.021 on a volume of 212,507 shares, and for the 90 day period ended 4 September 2012 the VWAP was \$0.020 on a volume of 1,358,645 shares.

During the 90-day period the shares have traded in a range of \$0.015 to \$0.024 per share.

On 31 August 2012 Nagambie launched a 1 for 3 rights issue at an offer price of \$0.02 per share. Whilst the issue is not underwritten, shareholders holding 42.4% of the issued shares have agreed to take up their entitlement.

Based on the above share prices, we consider that \$0.020 represents the current market value of shares in Nagambie at the date of this report.

3.3 The exercise price of the options

The options are exercisable at the greater of \$0.10 per share or 150% of the Company's closing share price on the day prior to the date of issue of the options.

The above clause means that the share price as at the date of issue of the options would need to be \$0.067 per share or higher for the exercise price to be greater than \$0.10 per share. Given the share price history described in Section 3.2 above and the fact that, subject to shareholder approval, the options are to be issued immediately after the forthcoming annual general meeting, we have assumed that the exercise price will be \$0.10 per share.

3.4 The volatility of the share price

The volatility of the share price is a measure of uncertainty about the returns provided by the shares. Generally it is possible to predict future volatility of a stock by reference to its historical volatility.

A share with a greater volatility has a greater time value component of the total option value.

The volatility estimate used in option pricing models is typically calculated with reference to the annualized standard deviation of daily share price returns on the underlying security over a specified period.

We source historical volatility information for Australian listed companies from a quarterly research report issued by SIRCA Limited ("SIRCA"), a leading provider of financial data in the Australian market. The SIRCA historical data included market information through to 30 June 2011.

The March 2012 SIRCA report estimated the volatility of Nagambie shares to be 66.86%. As Nagambie shares are relatively thinly traded, we have also considered the historical share price volatility of companies comparable to Nagambie as set out below:

Listed Company	ASX Code	Market Capitalisation \$millions	Volatility %
Synergy Metals	SML	9	66.16
Golden Deeps	GED	8	81.06
Orion Gold	ORN	5	91.45
Monterray Mining	MRY	4	77.94
Central West Gold	CWG	4	77.60
Nagambie Mining	NAG	4	66.86
Terrain Minerals	TMX	3	80.71
Midwinter Resources	MWN	3	64.09
AVERAGE			75.73
MEDIAN			77.77

After considering the above information, we have concluded that a share price volatility of 76% is appropriate when valuing the Nagambie options to be granted on or about 16 October 2012.

3.5 Vesting conditions

The options vest immediately upon issue.

3.6 Time to maturity

The options expire five years after the date of issue.

3.7 Risk free rate of interest

The option-pricing model uses a risk free rate of return in order to value options. We have used Commonwealth Treasury Bond yields with a maturity approximating the expiry date of the options. The rate used was 2.5%.

3.8 Expected dividend yield

Nagambie does not have a history of paying dividends and we have assumed that no dividends will be paid during the currency of the options.

3.9 An exercise price multiple

As stated in Section 2, options issued to directors and employees are often exercised prior to their expiry date. This occurs due to the lack of liquidity of the options.

Nagambie does not have a history that we could use to predict the likely exercise date.

Based on the available empirical evidence from a number of published studies emanating from the USA, we have concluded that options are generally exercised when the market price of the underlying shares reaches a multiple of 2.0 times the exercise price. This evidence is based on the issuance of options at an exercise price that is approximately equal to the current share price at the grant date. As the options that we have been requested to value are to be issued with an exercise price of at least 150% of the share price, we have selected an exercise price multiple of 1.7 times the exercise price.

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This factor has been taken into account in the application of the Binomial Option Valuation Model we have used.


4. Valuation

- 4.1 Based on the assumptions set out in Section 3 above, we have assessed the value of each option at \$0.0043, or \$4,300 for the parcel of 1,000,000 options to be issued to each Director.
- 4.2 The above value is our estimate of the fair value of the options. The value incorporates an assumption that the options will be exercised when the share price reaches a multiple of 1.7 times the exercise price. As this multiple is not based on the specific experience of Nagambie, by way of a cross check we have calculated the value of the options by excluding the assumption set out in 3.9 above and assuming that they would be exercised at their expiry date, being five years after the date of issue. This calculation reveals the maximum value of the options using the Black-Scholes Option valuation method to be \$0.0059, or \$5,900 for the parcel of 1,000,000 options to be issued to each Director.
- 4.3 Having considered all of the factors outlined in this report, including the above cross check, we have concluded that the fair value of the options is set out in paragraph 4.1 above.
- 4.4 This report has been prepared in accordance with the Accounting Professional and Ethical Standards Board professional standard APES 225 - Valuation Services.

Should you require any further information please do not hesitate to contact us.

Yours faithfully

DMR Corporate Pty Ltd



Paul Lom

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NAG- [REDACTED]

Sub-Register	ISSUER
HIN / SRN	[REDACTED]

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'x') should advise your broker of any changes.

Form of Proxy

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

PLEASE NOTE: This proxy is solicited on behalf of the management of Nagambie Mining Limited ABN 42 111 587 163 (the "Company") for use at the meeting of the shareholders of the Company to be held at Level 9, 469 Latrobe Street, Melbourne VIC on 26 October 2012 at 11.00am (AEDT) or any adjournment thereof (the "Meeting").

I/We being a member/s of Nagambie Mining Limited hereby appoint

the Chairman of the meeting OR

PLEASE NOTE: If you leave the section blank, the Chairman of the Meeting will be your proxy.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 1 and Item 5 (except where I/we have indicated a different voting intention below) even though Item 1 and Item 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

If you have not appointed the Chairman of the Meeting as your proxy and you are appointing a second proxy please complete the following: Proxy 1 is appointed to represent _____% of my voting right and Proxy 2 is appointed to represent _____% of my total votes. My total voting right is _____ shares.

PLEASE NOTE: If the appointment does not specify the proportion or number of votes that the proxy may exercise, each proxy may exercise half the votes.

With respect to any amendment or variations to the matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting, I/we confer discretionary authority on the person voting on behalf of me/us to vote as that person sees fit. At the time of printing this Form of Proxy, management knows of no such amendment, variation or other matter.

STEP 2 Items of Business

PLEASE NOTE: If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and your votes will not be counted in computing the required majority on that item.

If you wish to indicate how your proxy is to vote, please mark the appropriate places below.	FOR	AGAINST	ABSTAIN
Resolution 1 – Adopt the remuneration report for the year ended 30 June 2012	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-elect Mr Geoff Turner as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-elect Mr Colin Glazebrook as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Ratification of past issue of Unsecured Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 a) – Issue of Options to Mr Michael Trumbull	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 b) – Issue of Options to Mr Colin Glazebrook	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 c) – Issue of Options to Mr Geoff Turner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 d) – Issue of Options to Mr Kevin Perrin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no choice is specified, the shareholder is conferring discretionary authority on the proxy to vote at his or her discretion, and where the Chairman is the proxy, to vote FOR each of the resolutions.

SIGN Signing by member

This section **must** be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Member 1 [REDACTED]	Member 2 (if joint holding) [REDACTED]	Member 3 (if joint holding) [REDACTED]	/ /
Sole Director and Sole Secretary	Director/Company Secretary	Director	Date



ABN 42 111 587 163

Lodge your vote:



By Mail:

Advanced Share Registry Limited
PO Box 1156
Nedlands WA 6909

Alternatively you can fax your form to
Facsimile: +61 (0) 8 9389 7871

For Online Vote
www.advancedshare.com.au

For all enquiries call:

Telephone: +61 (0) 8 9389 8033
Email: admin@advancedshare.com.au

Proxy Form

Instructions

1. Every shareholder has the right to appoint some other person or company of their choice, who need not be a shareholder, to attend and act on their behalf at the meeting. If you wish to appoint a person or company other than the Chairman, please insert the name of your proxyholder(s) in the space provided (see reverse).
2. If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc), then all those registered should sign this proxy. If you are voting on behalf of a corporation or another individual you may be required to provide documentation evidencing your power to sign this proxy with signing capacity stated.
3. This proxy should be signed in the exact manner as the name that appears on the proxy.
4. If a shareholder appoints two proxies, each proxy may be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
5. Completion of a proxy form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
6. To be effective, proxies must be delivered by shareholders as follows:
Shareholders must deliver their proxies prior to 11.00am (AEDT) on 24 October 2012 by mail to PO Box 1156, Nedlands, 6909, Western Australia or by facsimile at +61 (0) 8 9389 7871 or deliver to the Share Registry of the Company at Unit 2, 150 Stirling Hwy, Nedlands, Western Australia, 6009.
7. For the purposes of Regulation 7.11.37 of the Corporations Regulations the Company determines that shareholders holding shares at 7.00pm (AEDT) on 24 October 2012 will be entitled to attend and vote at the Meeting.
8. The Chairman intends to vote in favour of all resolutions set out in the Notice of Meeting.
9. This proxy confers discretionary authority in respect of amendments to matters identified in the Notice of Meeting or other matters that may properly come before the Meeting.
10. This proxy should be read in conjunction with the accompanying documentation provided by management of the Company.
11. The shares represented by this proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any poll that may be called for, and if the shareholder has specified a choice in respect of any matter to be acted upon, the shares will be voted accordingly.

Turn over to complete the form →



CHECK OUT OUR WEBSITE at
www.advancedshare.com.au

- Check all holdings by using HIN/SRN
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