



BC IRON
LIMITED

BC IRON LIMITED

ABN 21 120 646 924

Notice of Extraordinary General Meeting and Explanatory Statement

**Extraordinary General Meeting to be held at
The Celtic Club, 48 Ord Street West Perth
on Friday, 17 December 2010 commencing at 10.30am WST**

This Notice of Extraordinary General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Notice of Extraordinary General Meeting

Notice is given that an Extraordinary General Meeting of BC Iron Limited (ABN 21 120 646 924) will be held at The Celtic Club, 48 Ord Street West Perth on Friday, 17 December 2010 commencing at 10.30am WST.

BUSINESS OF THE MEETING

ORDINARY BUSINESS – RESOLUTIONS

RESOLUTION 1 – RATIFICATION OF OPTION ISSUE – OPTIONS TO FINANCIER

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

"That, for the purposes of ASX Listing Rule 7.4 and all other purposes, Shareholders approve and ratify the allotment and issue of 8,000,000 Options to Henghou Industries (Hong Kong) Limited on the terms and conditions set out in the Explanatory Statement."

Voting exclusion statement:

For the purposes of Listing Rule 14.11, and for all other purposes, the Company will disregard any votes cast on this Resolution 1 by Henghou Industries (Hong Kong) Limited or an associate of Henghou Industries (Hong Kong) Limited.

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 the directions on the proxy form; or
- (b) 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.

RESOLUTION 2 – RATIFICATION OF OPTION ISSUE – OPTIONS TO PASTORALIST

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

"That, for the purposes of ASX Listing Rule 7.4 and all other purposes, Shareholders approve and ratify the allotment and issue of 250,000 Options to Erica Joy Goyder and 250,000 Options to WDC Contracting Pty Ltd on the terms and conditions set out in the Explanatory Statement."

Voting exclusion statement:

For the purposes of Listing Rule 14.11, and for all other purposes, the Company will disregard any votes cast on this Resolution 2 by Erica Joy Goyder or WDC Contracting Pty Ltd or any of their associates.

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 the directions on the proxy form; or
- (b) 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.

RESOLUTION 3 – RATIFICATION OF SHARE ISSUE – NOVEMBER PLACEMENT (Tranche1)

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

"That, for the purposes of ASX Listing Rule 7.4 and all other purposes, Shareholders approve and ratify the allotment and issue of 4,000,000 Shares to those persons and entities, and on the terms and conditions, set out in the Explanatory Statement (November Share Issue)."

Voting exclusion statement:

For the purposes of Listing Rule 14.11, and for all other purposes, the Company will disregard any votes cast on this Resolution 3 by any person or entity or any of their associates that participated in the November Share Issue.

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 the directions on the proxy form; or
- (b) 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.

RESOLUTION 4 – APPROVAL OF ISSUE OF SHARES - NOVEMBER PLACEMENT (Tranche 2)

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, the Directors be authorised to allot and issue 4,000,000 Shares which formed the second tranche of the November Placement, (the subject of Resolution 3) on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement:

For the purposes of Listing Rule 14.11, and for all other purposes, the Company will disregard any votes cast on this Resolution 4 by:

- (a) any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares if Resolution 4 is passed; and
- (b) an associate of that person.

However, the Company will 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 form to vote as the proxy decides.

Explanatory Statement

The Explanatory Statement accompanying this Notice of Extraordinary General Meeting is incorporated in and comprises part of this Notice of Extraordinary General Meeting.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in both this Notice of Extraordinary General Meeting and the Explanatory Statement.

Proxies

Please note that:

- (a) a member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company 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, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

In accordance with section 250BA of the Corporations Act, the Company specifies the following information for the purposes of receipt of proxy appointments by Shareholders registered on the Company's share register:

Registered Office: Level 1, 15 Rheola Street
WEST PERTH WA 6005

Facsimile Number: +61 8 6311 3449

Postal Address : GPO Box 2811
PERTH WA 6001

The proxies must be received at the relevant address set forth above no later than 48 hours prior to the time of commencement of the meeting (WST).

"Snap-shot" Time

The Company may specify a time, not more than 48 hours before the meeting, at which a "snap-shot" of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the meeting.

The Company's directors have determined that all Shares of the Company that are quoted on ASX at 10.30am WST on 15 December 2010 shall, for the purposes of determining voting entitlements at the Extraordinary General Meeting, be taken to be held by the persons registered as holding the Shares at that time.

Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the meeting or handed in at the meeting when registering as a corporate representative. An appointment of Corporate Representative form is enclosed if required.

By Order of the Board of Directors



Morgan Ball
Company Secretary

15 November 2010



BC IRON

LIMITED

BC Iron Limited

ABN 21 120 646 924

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Extraordinary General Meeting of the Company convened for Friday, 17 December 2010 commencing at 10.30am WST.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Extraordinary General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Extraordinary General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

BUSINESS OF THE MEETING

RESOLUTION 1 – RATIFICATION OF OPTION ISSUE – OPTIONS TO FINANCIER

ASX Listing Rule 7.1 prohibits a company from issuing equity securities (which includes ordinary shares and options) representing more than 15% of its share capital in any 12 month period without shareholder approval (subject to certain exceptions). ASX Listing Rule 7.4 allows a company to seek ratification for a permitted and prior issue of equitable securities that have been made within the 12 month period. The effect of such ratification is that the issue is then deemed to have been one to which shareholder approval has been obtained, thus not counting towards the 15% referred to in this paragraph.

Resolution 1 seeks ratification of the issue of 8,000,000 Options on 12 February 2010 on the terms described below to Henghou Industries (Hong Kong) Limited (**Financier Options**). The vesting conditions of the Financier Options have all been fulfilled.

On 10 November 2009 the Company announced that the Nullagine Joint Venture had secured a US\$50 million facility from Henghou Industries (Hong Kong) Limited to be used for project finance. At the same time the Company announced it had entered into an iron ore purchase agreement with Henghou. As a sign of the establishment of a long term relationship and part of the overall transaction, the Company agreed to issue the Financier Options.

Pursuant to ASX Listing Rule 7.5 the following information is advised in relation to the Financier Options:

- (a) the number of Financier Options issued was 8,000,000;
 - (b) the Financier Options were issued on 12 February 2010 on the following conditions:
 - (i) 6,000,000 Options at an exercise price of \$1.35 expiring on 11 February 2012; and
 - (ii) 2,000,000 Options at an exercise price of \$1.50 expiring on 11 February 2012;
 - (c) the Financier Options were issued on the terms set out in Appendix A;
 - (d) the Financier Options were issued to Henghou Industries (Hong Kong) Limited; and
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- (e) the Financier Options were issued for nil consideration, however in the event that Henghou Industries (Hong Kong) Limited exercises the Financier Options, Henghou Industries (Hong Kong) Limited would need to pay the appropriate exercise price in relation to the Financier Options and if all Financier Options were exercised, Henghou Industries (Hong Kong) Limited would be required to pay \$11,100,000. These proceeds would be used for the Company's general working capital requirements at the appropriate time or for further exploration and development within the Nullagine Iron Ore Project.

The Directors **unanimously recommend** that Shareholders approve this Resolution.

RESOLUTION 2 – RATIFICATION OF OPTION ISSUE – OPTIONS TO PASTORALIST

ASX Listing Rule 7.1 prohibits a company from issuing equity securities (which includes ordinary shares and options) representing more than 15% of its share capital in any 12 month period without shareholder approval (subject to certain exceptions). ASX Listing Rule 7.4 allows a company to seek ratification for a permitted and prior issue of equitable securities that have been made within the 12 month period. The effect of such ratification is that the issue is then deemed to have been one to which shareholder approval has been obtained, thus not counting towards the 15% referred to in this paragraph.

Resolution 2 seeks ratification of the issue of 500,000 Options on 12 April 2010 on the terms described below to Erica Joy Goyder and WDC Contracting Pty Ltd (**Stakeholder Options**).

The Stakeholder Options were issued as part of an agreement with Erica Joy Goyder, whereby in consideration of the issue of the Stakeholder Options, Erica Joy Goyder undertook to provide BC Iron Nullagine Pty Ltd, a wholly owned subsidiary of the Company, all reasonable assistance and co-operation in relation to the Nullagine Joint Venture activities in respect of a pastoral lease managed by Erica Joy Goyder and to consent to the grant of various and necessary mining tenement licences on the pastoralist's Station.

Pursuant to ASX Listing Rule 7.5 the following information is advised in relation to the Stakeholder Options:

- (a) the number of Stakeholder Options issued was 500,000;
- (b) the Stakeholder Options were issued on 12 April 2010 with an exercise price of \$1.50 and expiring on 19 February 2015;
- (c) the Stakeholder Options were issued on the terms set out in Appendix B;
- (d) the Stakeholder Options were issued to Erica Joy Goyder and WDC Contracting Pty Ltd; and
- (e) the Stakeholder Options were issued for nil consideration, however in the event that Erica Joy Goyder or WDC Contracting Pty Ltd exercises the Stakeholder Options, they would need to pay the appropriate exercise price in relation to the Stakeholder Options and if all the Stakeholder Options were exercised, Erica Joy Goyder and WDC Contracting Pty Ltd would be required to pay a total of \$750,000. These proceeds would be used for the Company's general working capital requirements at the appropriate time or for further exploration and development within the Nullagine Iron Ore Project.

The Directors **unanimously recommend** that Shareholders approve this Resolution.

RESOLUTION 3 – RATIFICATION OF SHARE ISSUE – NOVEMBER PLACEMENT (Tranche 1)

ASX Listing Rule 7.1 prohibits a company from issuing equity securities (which includes ordinary shares and options) representing more than 15% of its share capital in any 12 month period without shareholder approval (subject to certain exceptions). ASX Listing Rule 7.4 allows a company to seek ratification for a permitted and prior issue of equitable securities that have been made within the 12 month period. The effect of such ratification is that the issue is then deemed to have been one to which shareholder approval has been obtained, thus not counting towards the 15% referred to in this paragraph.

On 11 November 2010, the Company announced it had received irrevocable commitments from institutional and sophisticated investors to subscribe for 8 million ordinary shares at \$2.30 per share to raise gross proceeds of \$18,400,000 (**November Placement**).

The November Placement was to be made in two tranches:

- Tranche 1 comprising the placement of 4,000,000 shares at \$2.30 per share to raise \$9,200,000 issued under the Company's 15% capacity under ASX Listing Rule 7.1; and
- Tranche 2 comprising the placement of 4,000,000 shares at \$2.30 per share to raise \$9,200,000, subject to shareholder approval at a general meeting.

Resolution 3 seeks ratification of the issue of the first tranche of 4,000,000 Shares on 18 November 2010 at an issue price of \$2.30 per Share raising \$9,200,000 before issue costs.

The tranche 2 issue is the subject of Resolution 4.

Pursuant to ASX Listing Rule 7.5 the following information is advised in relation to the first tranche of the November Placement Shares:

- (a) the number of the first tranche of the November Placement Shares issued was 4,000,000;
- (b) the first tranche of the November Placement Shares were issued on 18 November 2010 at an issue price of \$2.30 per share raising \$9,200,000 before issue costs;
- (c) the first tranche of the November Placement Shares ranked equally from the date of issue with all existing Shares in the Company;
- (d) the first tranche of the November Placement Shares were issued to institutional and other wholesale investors introduced to the Company by Argonaut Limited who are not related parties of the Company; and
- (e) the purpose of the first tranche of the November Placement was to provide working capital for contingency purposes and for further exploration and development of the Nullagine Iron Ore Project.

The Directors **unanimously recommend** that Shareholders approve this Resolution.

RESOLUTION 4 - APPROVAL OF ISSUE OF SHARES- November Placement (Tranche 2)

Listing Rule 7.1 prohibits a company from issuing securities representing more than 15% of its issued share capital in any 12 month period without shareholder approval.

As noted in the explanatory comments on Resolution 3 above, the Company, on 11 November 2010 announced it had received irrevocable commitments to place 8,000,000 Shares at \$2.30 per share. As noted in that commentary, the November Placement was to be undertaken in two tranches. The first tranche which was completed on 18 November 2010 is the subject of Resolution 3.

Tranche 2 is the subject of this Resolution 4 and Shareholder approval is sought to complete the issue.

Approval of this Resolution 4 will see the November Placement completed, with the Company receiving gross proceeds of \$18,400,000 and from which issue costs will be deducted. As noted in the commentary on Resolution 3, the first tranche has been completed.

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of Listing Rule 7.1 and the following information is included in this Explanatory Memorandum for that purpose:

- (a) the maximum number of Shares to be issued pursuant to Resolution 4 is 4,000,000;
- (b) the issue price of the Shares will be \$2.30;
- (c) the funds will be used to provide working capital for contingency purposes and to conduct further exploration and development of the Nullagine Iron Ore Project;
- (d) the Shares will be issued to institutional and other wholesale investors who are not related parties of the Company, introduced to the Company by Argonaut Limited;
- (e) it is anticipated that the Shares will be issued no later than 3 months after the date of the meeting or such later date as approved by ASX by way of ASX granting a waiver from the Listing Rules;
- (f) the Shares will be issued in a single allotment on the same day as their issue;
- (g) the Shares issued pursuant to Resolution 4 will rank equally with existing ordinary shares on issue; and
- (h) a voting exclusion statement is included in this Notice.

GLOSSARY

In this Explanatory Statement, the following terms have the following unless the context otherwise requires:

ASX	ASX Limited ACN 008 624 691.
Board	board of Directors.
Company	BC Iron Limited ACN 120 646 924.
Constitution	constitution of the Company.
Corporations Act	<i>Corporations Act 2001 (Cth)</i> .
Director	director of the Company.
Listing Rules	official Listing Rules of ASX.
Option(s)	option to subscribe for a Share.
Share(s)	fully paid ordinary share(s) in the capital of the Company.
Shareholder	shareholder of the Company.
WST	Western Standard Time.

APPENDIX A: FINANCIER OPTION TERMS

1. Each Option entitles the holder to subscribe for and be allotted one Share.
2. The exercise price (**Exercise Price**) of the Options is as follows;
 - (i) for 6,000,000 Options, it is \$1.35 per Share; and
 - (ii) for 2,000,000 Options, it is \$1.50 per Share.
3. The Options will lapse at 4.00pm (Western Australian Standard Time) on the second anniversary of the Issue Date (**Expiry Date**).
4. Any Options which have not been exercised on or before the Expiry Date lapse automatically.
5. The Options are not transferable without the prior written consent of the Company which consent shall not be unreasonably withheld or delayed.
6. No notice of the lapse of an Option (for any reason) need be given by the Company.
7. No application will be made to the ASX for Official Quotation of the Options however, as noted in clause 13, application will be made for Official Quotation of the Shares issued on exercise by ASX.
8. All Shares allotted upon the exercise of the Options will rank *equally* in all respects with all other Shares then on issue.
9. Options may only be exercised by notice in writing (**Exercise Notice**) delivered to the registered office of the Company.
10. An Exercise Notice cannot be given (and, if given, is invalid and of no effect) unless at the time it is given all payments or instalments payable by the Subscriber under the funding facility linked to the Chichester Iron Ore Purchase Agreement and the BC Iron Nullagine Pty Ltd Iron Ore Purchase Agreement have been received in cleared funds (**Exercise Condition**).
11. An Exercise Notice must specify the number of Options being exercised by that Exercise Notice (**Exercised Options**) and must be accompanied by:
 - (a) the Exercise Price for the number of Exercised Options; and
 - (b) the certificate for the Exercised Options, for cancellation by the Company.
12. An Exercise Notice only becomes effective when the Company has received cleared funds for the full amount of the Exercise Price in respect of the Exercised Options.
13. Within 10 business days after an Exercise Notice becomes effective, the Board must:
 - (a) allot and issue the number of Shares specified in the Exercise Notice to the holder of the Options;
 - (b) cancel the certificate for the Exercised Options;
 - (c) if applicable, issue a new certificate for any unexercised Options; and
 - (d) apply for Official Quotation by the ASX of the Shares issued and allotted in accordance with the Exercise Notice.
14. 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 to the Company's shareholders during the currency of the Options. However, the Company will send a notice to each holder of the Options at least nine business days before the record date of any new issues of equity securities offered to the

holders of Shares. This will give holders of the Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue if at that time the Exercise Condition has been satisfied.

15. If from time to time on or prior to the Expiry Date the Company makes an issue of Shares to the holders of Shares by way of capitalisation of profits or reserves (a **bonus issue**) the Company will send a notice to each holder of Options at least nine business days before the record date of any bonus issue. This will give holders of the Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such bonus issue if at that time the Exercise Condition has been satisfied.
16. In the event of any reorganisation of the issued capital of the Company on or prior to the Expiry Date, the rights of a holder of Options will be changed to the extent necessary to comply with the applicable ASX Listing Rules in force at the time of the reorganisation. However no such reorganisation shall operate to release the Options from the Exercise Condition.

APPENDIX B: STAKEHOLDER OPTION TERMS

1. Shares will be allotted and issued pursuant to the exercise of the Options not more than 10 business days after receipt of a properly executed notice of exercise and payment of the requisite exercise moneys.
2. Shares issued upon exercise of the Options will rank pari passu in all respects with the then existing issued Shares and will be subject to the terms of the Company's Constitution. The Company will apply for official quotation by ASX of all Shares issued upon the exercise of the Options within 3 business days following the date of allotment of those Shares.
3. 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 holders of Shares during the currency of the Options. However, the company will send a notice to the holder of the Options at least 10 business days before the record date for any proposed issue of new capital in the Company. This will give the holder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such new issue.
4. 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.
5. In the event of any reorganisation of the issued capital of the Company on or prior to the expiry date of the Options, the rights of the holder of Options will be changed to the extent necessary to ensure compliance with the applicable ASX Listing Rules current at the time of such reorganisation.

Shareholder Details

This is to certify that by a resolution of the Directors of:

..... (Company),
Insert name of shareholder company

the Company has appointed:

.....
Insert name of corporate representative

in accordance with the provisions of section 250D of the Corporations Act 2001, to act as the body corporate representative of that company at the meeting of the members of BC Iron Limited to be held on Friday, 17 December 2010 commencing at 10.30am WST and at any adjournments of that meeting/all meetings of the members of BC Iron Limited.

DATED 2010

Please sign here

Executed by the Company)
in accordance with its constituent documents)

.....
Signed by authorised representative

.....
Signed by authorised representative

.....
Name of authorised representative (print)

.....
Name of authorised representative (print)

.....
Position of authorised representative (print)

.....
Position of authorised representative (print)

Instructions for Completion

1. Insert name of appointor Company and the name or position of the appointee (eg "John Smith" or "each director of the Company").
2. Execute the Certificate following the procedure required by your Constitution or other constituent documents.
3. Print the name and position (eg director) of each company officer who signs this Certificate on behalf of the company.
4. Insert the date of execution where indicated.
5. Send or deliver the Certificate to BC Iron Limited's registered office at Level 1, 15 Rheola Street, West Perth Western Australia 6005 or fax to the registered office on (08) 6311 3449.

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Shareholder Details

Name:

Address:

Contact Telephone No:

Contact Name (if different from above):

Appointment of Proxy

I/We being a shareholder/s of BC Iron Limited and entitled to attend and vote hereby appoint

The Chairman
of the meeting

OR

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

(mark with an 'X')

Or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and 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 Extraordinary General Meeting of BC Iron Limited to be held at The Celtic Club, 48 Ord Street West Perth on Friday, 17 December 2010 at 10.30am WST and at any adjournment of that meeting.

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

Special Business

		For	Against	Abstain*
Resolution 1.	RATIFICATION OF OPTION ISSUE – OPTIONS TO FINANCIER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2.	RATIFICATION OF OPTION ISSUE – OPTIONS TO PASTORALIST	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3.	RATIFICATION OF SHARE ISSUE – NOVEMBER PLACEMENT (FIRST TRANCHE)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4.	APPROVAL OF ISSUE OF SHARES – NOVEMBER PLACEMENT (SECOND TRANCHE)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the Abstain box for a particular Resolution, 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.

Appointment of a second proxy (see instructions overleaf)

If you wish to appoint a second proxy, state the % of your voting rights applicable to the proxy appointed by this form

 %

PLEASE SIGN HERE This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented

Individual or Shareholder 1

Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

How to complete this Proxy Form

Your Name and Address

Please print your name and address as it appears on your holding statement and the company's share register. If shares are jointly held, please ensure the name and address of each joint shareholder is indicated. Shareholders should advise the company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. 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 shareholder of the company.

Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as 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 Secretary on (08) 6311 3400 or you may photocopy this form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

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 shareholders should sign. |
| Power of Attorney: | to sign under Power of Attorney, you must have already lodged this document with the company's share 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 the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate is either included in the Notice of Extraordinary General Meeting or may be obtained from the company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting. ie. no later than 10.30am WST on 15 December 2010. Any Proxy Form received after that time will not be valid for the scheduled meeting.

This Proxy Form (and any Power of Attorney and/or second Proxy Form) may be sent or delivered to the company's registered office at Level 1, 15 Rheola Street, West Perth Western Australia or sent by facsimile to the registered office on (08) 6311 3449
