



COALWORKS Ltd

ACN 114 702 831

Explanatory Memorandum

**Incorporating Notice of Annual General Meeting
and Proxy Form**

to be held on

Friday 11 November 2011 at 10:00 am (Sydney time)

at

**Prince Albert Room
Sir Stamford at Circular Quay
93 Macquarie Street
Sydney, NSW 2000
Australia**

This Explanatory Memorandum is dated 6 October 2011.

THIS IS AN IMPORTANT DOCUMENT.

**If you are in any doubt as to how to act you
should consult your financial or legal adviser.**



NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM") of Coalworks Limited ("CWK" or the Company") will be held at Prince Albert Room, Sir Stamford at Circular Quay, 93 Macquarie Street, Sydney NSW 2000 at 10:00 am on Friday, 11 November 2011 (Sydney time).

The Explanatory Memorandum that accompanies and forms part of this Notice of AGM describes the various resolutions to be considered at the Meeting.

AGENDA – ORDINARY BUSINESS

Financial Statements and Reports

To receive, consider and adopt the Annual Report and Financial Statements of the Company for the year ended 30 June 2011 and the Reports of Directors and Auditors thereon.

Note: There is no requirement for shareholders to approve these reports.

RESOLUTION 1 ADOPTION OF REMUNERATION REPORT

To consider the Remuneration Report as it appears in the Annual Report of the Company for the year ended 30 June 2011 and, if thought fit, pass the resolution as an ordinary resolution in accordance with section 250R(3) of the Corporations Act 2001:

"That the Remuneration Report for the year ended 30 June 2011 included in the Directors' Report, which is attached to the Financial Statements as required under section 300A of the Corporations Act be adopted by the Company."

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by key management personnel or their closely related parties. However the Company need not disregard a vote if it is cast by a person who participates in the issue of shares, that are cast as proxy for persons entitled to vote, in accordance with directions on the Proxy Form or if 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 directs.

Notes

- In accordance with section 250R(3) of the Corporations Act, the votes cast in respect of this resolution are advisory only and do not bind the directors or the Company.
- The directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.
- If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director and CEO) must go up for re-election.

RESOLUTION 2 RE-ELECTION OF A DIRECTOR, SIN PYNG (TONY) TENG

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

"That Sin Pyng Teng, who retires by rotation in accordance with the Company's Constitution and having offered himself for re-election and being eligible, is hereby re-elected as a director of the Company."

RESOLUTION 3 RE-ELECTION OF A DIRECTOR, IAN CRAIG

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

"That Ian Craig, who was appointed to fill a casual vacancy of the Board of directors, retires in accordance with the Company's Constitution and having offered himself for re-election and being eligible, is hereby re-elected as a director of the Company."

RESOLUTION 4 RE-ELECTION OF A DIRECTOR, DAVID EDWARD SMITH

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

"That David Edward Smith, who was appointed to fill a casual vacancy of the Board of directors, retires in accordance with the Company's Constitution and having offered himself for re-election and being eligible, is hereby re-elected as a director of the Company."



RESOLUTION 5 INCREASE IN NON EXECUTIVE DIRECTORS' FEES

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

"That, in accordance with ASX Listing Rule 10.17, the maximum aggregate amount payable to Non- Executive Directors by way of Directors' fees be increased by \$250,000, from \$50,000 to \$300,000 per annum, and all remuneration paid to directors pending approval of the increase in fees be ratified by shareholders."

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by a director and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 6 RE-ADOPTION OF EXECUTIVE OPTION PLAN

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

"That, for the purpose of ASX Listing Rule 7.2 (Exception 9) and for all other purposes, approval is given for the Company to re-adopt its incentive option scheme on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by a director and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

PROXIES

A member entitled to attend and vote at the General Meeting may appoint a proxy and, if entitled to cast two or more votes is entitled to appoint two proxies in which case each proxy may be appointed to represent a specified proportion of the member's voting rights. A proxy need not be a member of the Company and a member may appoint an individual or a body corporate to act as its proxy.

Unless instructed to the contrary, the Chairman of the meeting intends to vote proxies in favour of the resolution at the meeting.

For an appointment of a proxy to be effective, Proxy Forms and, if applicable, the powers of attorney (or a certified copy of the powers of attorney) under which they are signed must be lodged at the Company's share registry, Boardroom Pty Limited:

Post: GPO Box 3993 Sydney NSW 2000

Fax: +61 2 9290 9655 OR

Online: www.boardroomlimited.com.au/vote/coalworksagm2011

at least 48 hours before the appointed time of the meeting.

A Proxy Form is provided with this notice. Please read the instructions on the Proxy Form.

If you are entitled to vote and wish to appoint a proxy, you should be aware that your proxy's vote on your behalf will be valid only if you direct your proxy how to vote on the proxy Form and the proxy does vote as directed.

It has been determined that under the Corporations Regulations 7.11.37, for the purposes of the annual general meeting, shares will be taken to be held by the persons who are the registered holders at 7pm on Wednesday, 9 November 2011. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

By order of the Board

Nathan Bartrop

Company Secretary

Dated: 6 October 2011



EXPLANATORY MEMORANDUM

Introduction

This Explanatory Memorandum accompanies and forms part of the Notice of Annual General Meeting (“AGM”) of Coalworks Limited (“the Company”) and is intended to provide shareholders of the Company with information to assess the merits of the Resolutions contained in the business to be conducted at the AGM to be held on Friday 11 November 2011. A Notice of AGM accompanies this document.

The directors (“the Directors”) of the Company recommend that shareholders read this Explanatory Memorandum before making any decisions in relation to the Resolution.

Shareholders should note that all Directors approved the proposals to put the Resolutions to shareholders as outlined in the Notice of AGM and the preparation of this Explanatory Memorandum.

Financial Statements and Reports

The Annual Report, Financial Statements and the reports of the Directors and the auditor for the year ended 30 June 2011 will be laid before the meeting. There is no requirement for Shareholders to approve those reports.

RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

The Remuneration Report contained in the Directors’ Report is set out in the Company’s 2011 Annual Report. The vote is advisory only and the outcome will not be binding on the Directors or the Company. Shareholders will be given a reasonable opportunity to ask questions or make comments on the Remuneration Report at the Annual General Meeting.

The persons excluded from voting on this report are the directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly (“Key Management Personnel”). The Remuneration Report identifies the Company’s Key Management Personnel for the financial year to 30 June 2011. In addition, closely related parties of Key Management Personnel are excluded from voting, and include certain of their family members, dependants and companies they control.

Any undirected proxies held by the Chairman of the meeting, other directors or other key management personnel or any of their closely related parties will not be voted on Item 1 (Remuneration Report).

RESOLUTION 2: RE-ELECTION OF SIN PYNG (TONY) TENG

Resolution 2 relates to the re-election of Tony Teng as a Director of the Company. Under the Constitution, one-third of the Company’s Directors must resign and, if eligible, may be re-elected. Tony Teng retires by rotation and being eligible, offers himself for re-election as a Director.

B Econ., Dip Fin Mgmt., CPA, FAICD, AFAIM

Mr Teng is a Certified Practicing Accountant, a Fellow of the Australian Institute of Company Directors and an Associated Fellow of the Australian Institute of Management. Mr Teng has been employed by several manufacturing companies in senior accounting positions. Mr Teng has since 1990 worked full time as a consultant involved with mergers, acquisitions and corporate restructuring.

He has had several years experience on project development and investor relations and has a strong association with the investment community in Singapore and Malaysia. He has also consulted with respect to a number of Initial Public Offerings and public company capital raisings and stock exchange practice. Mr Teng is also currently a Director and Company Secretary of iCash Payment Systems Limited.

The Board recommends that members vote in favour of this Resolution.

RESOLUTION 3: RE-ELECTION OF IAN CRAIG

Resolution 2 relates to the re-election of Ian Craig as a Director of the Company. Under the Constitution, a director appointed to fill a casual vacancy must resign and, if eligible, may be re-elected. Ian Craig retires and being eligible, offers himself for re-election as a Director.

B App Sci (Min Eng), FAusIMM

Mr Craig is a mining engineer who retired from Peabody in February 2008. He maintains an active role in the coal industry through his involvement as a director with MISC, Dingo and Boardwalk Resources. He was former Group vice President and Managing Director of Peabody Energy Australia Pty Limited (Brisbane) between 2004 and 2007. At this point Peabody had 10 operating mines in Australia in the Bowen Basin, Hunter Valley, Western Coalfields, and Southern Coalfields, including those acquired during the Excel acquisition.



Prior to his appointment in Australia by Peabody, Mr Craig was Group Executive for Peabody's Powder River Basin operations in Wyoming, USA. Mr Craig's past employment has been at senior managerial/operational positions in the coal mining industry of NSW and Queensland.

Mr Craig is a past director of the Queensland Resources Council and a past member of the NSW Minerals Council Executive Committee. He holds the degree of Bachelor of Applied Science Mineral Engineering (Mining) and has completed various post graduate Management and Finance programs, including a program at Columbia Business School, New York. He is also a fellow of AusIMM.

The Board recommends that members vote in favour of this Resolution.

RESOLUTION 4: RE-ELECTION OF DAVID EDWARD SMITH

Resolution 4 relates to the re-election of David Edward Smith as a Director of the Company. Under the Constitution, a director appointed to fill a casual vacancy must resign and, if eligible, may be re-elected. David Edward Smith retires and being eligible, offers himself for re-election as a Director.

B Econ, Dip Mgmt – Executive MBA

Mr Smith is an investment banker of 15 years experience, and was most recently at BBY Limited where he was Head Equity Capital Markets and a member of the group's Executive and Risk Management Committee.

Mr Smith joined BBY in 2004 and since that time, BBY's Corporate Finance division has raised more than \$4 billion for its corporate clients and now maintains regular Top 15 positions in the various Australian Investment Banking League Tables.

He has extensively advised corporate clients in the bulk commodities sectors of coal and iron ore. In 2008, the BBY Corporate Finance division won the "Best Corporate Deal of the Year" award at the Australian Stockbrokers Foundation Awards for a coal sector client. Mr Smith maintained a Top 10 ranking in the annual SMH Age East Coles Investment Banking surveys from 2008-2010. Prior to joining BBY, he worked at Ord Minnett and then JPMorgan Chase.

The Board recommends that members vote in favour of this Resolution.

RESOLUTION 5: INCREASE IN NON-EXECUTIVE DIRECTORS' FEES

Listing Rule 10.17 provides that a listed company must not, without shareholder approval, increase the total amount of non executive directors' fees.

For the purposes of clause 12.7 of the Constitution and Listing Rule 10.17, Shareholder approval is sought to increase the maximum aggregate amount which can be paid as fees to the Non-Executive Directors by \$250,000 from \$50,000 to \$300,000 per annum.

Increasing the maximum amount of Non-Executive Directors' fees payable will give the Board the ability over the next two to three years to increase Non-Executive Directors' fees in line with market conditions and will also allow more flexibility for the Board to expand the membership of the Board if required.

RESOLUTION 6: RE-ADOPTION OF EXECUTIVE OPTION PLAN

ASX Listing Rule 7.1 requires a listed company to obtain shareholder approval prior to the issue of shares, or securities convertible into shares, representing more than 15% of the issued capital of that company in any 12 month period. An exception to ASX Listing Rule 7.1 is set out in ASX Listing Rule 7.2 (Exception 9) which provides that Listing Rule 7.1 does not apply to an issue under an employee incentive scheme if, within the three years before the date of issue, shareholders have approved the issue as an exception to Listing Rule 7.1.

Shareholder approval is sought to re-adopt the Executive Option Plan (as amended) in accordance with Exception 9 of ASX Listing Rule 7.2 and to enable the Company to subsequently grant the Employee Options under the Option Plan, without having to obtain Shareholder approval each time the Company wishes to issue securities which exceed the 15% limit contained in Listing Rule 7.1 and do not otherwise fall within one of the nominated Listing Rule exemptions.

The following information is provided in accordance with Listing Rule 7.2 (Exception 9):

1. A summary of the terms of the scheme appear on page 6 of this document, and the options to be issued under the Executive Option Plan have the terms set out in Schedule 1 (page 7). The full terms and conditions of the Executive Option Plan are available free of charge by contacting the Company Secretary.
2. 22,273,000 options have been issued under the plan since the date of last approval.



Summary of Executive Option Plan

'Executive' or 'Executives' is deemed to include all staff, consultants and sub- contractors including any person engaged in permanent or part time employment, consultancy, directorship or merely an officer or sub-contractor with the Company (including any subsidiary thereof) as an executive or employee or director and includes a permanent part time executive or full time salaried executive and includes any Manager as defined herein and includes non-executive and alternate directors and also includes any superannuation fund or trust fund of which the Executive is a member or beneficiary and any company in which the executive has a substantial interest.

2. Application for and Grant of Options

- (i) Subject to clauses 2 (ii) (b) and (c), the Board may once in each calendar year invite Executives in writing to apply for Options to subscribe for Shares. All Executives or any Executive or any superannuation fund or trust fund of which the Executive is a member or beneficiary collectively may apply for Options allocated to them by the Board in accordance with ASXLR providing that such issue is not in respect of underlying Shares exceeding 20% of the issued capital of the Company or such other maximum limit as is from time to time determined by the Board in accordance with ASXLR.
- (ii) Options may be listed for quotation on the ASX providing that:
 - (a) such listing complies with ASXLR;
 - (b) such listing is not inconsistent with the terms of issue of the Options or this Plan;
 - (c) the Board determines that such Options be listed.
- (iii) Rights to shares in lieu of Options may be issued under this plan and such rights shall be treated as if they were Options under this plan mutatis mutandis;
- (iv) Rights to Options may be issued under this plan and such rights shall be treated as if they were Options under this plan mutatis mutandis.

5. Maximum Option Issue

The maximum aggregate nominal amount of underlying Shares in respect of which Options issued pursuant to this Plan may be granted shall not exceed 20% of the nominal amount of Shares on issue.

8. Allotment, Issue or Allocation of Shares

- (a) Options may be issued providing that:
 - (i) no Shares shall be issued unless due compliance with the terms of issue of the Options has occurred;
 - (ii) due compliance with these rules has occurred;
 - (iii) no event disentitling the Member to exercise any Options has occurred;
 - (iv) the issue of Shares is not in contravention of ASXLR;
 - (v) the issue is not in contravention of the Corporations Act 2001.
- (b) The Company may establish a trust and fund it by way of loan or other financial assistance for the purpose of acquiring shares or options or rights to shares or options in the Company whether on market or otherwise to provide a pool of shares out of which shares may be allocated to satisfy exercise of options or rights under this plan.

13. Amendments to the Plan

- (a) The Board shall be entitled at any time and from time to time, by resolution to amend (including the power to revoke, add to or vary) all or any of the terms and conditions of this Plan except that no amendment which confers an unfair benefit on the Member shall be approved unless such amendment is first approved by shareholders of the Company.
- (b) Subject to the preceding sub clause, the Board may amend or add to the Plan as it considers necessary (or as may be consequential upon any such necessary amendments) to take account of any amendments to the revenue laws of Australia.



Schedule 1 – Terms Applicable to Options

The Terms of the Options issued under the Executive Option Plan are as follows:

1. Each option will give to the holder the right to subscribe the Exercise Price (in cash) and receive one fully paid ordinary share in the capital of the Company for each option held on or before the Expiry Date.
2. The ordinary shares issued as the result of the exercise of any option will rank *pari passu* in all respects with previously issued ordinary shares in the capital of the Company.
3. All registered option holders will be entitled to receive and will be sent all reports and accounts required to be laid before members in general meeting and all notices of general meetings of members, but will not be entitled to attend or vote at such meetings unless they are, in addition to being option holders, members.
4. The options will be exercisable at any time and from time to time in whole or in part until the expiry date. However, persons holding 2,000 or fewer options may only exercise all of them. Persons holding more than 2,000 options may exercise those options only in multiples of 2,000 except in a case where the number held is not a multiple of 2,000. In that case the holder may exercise a number of options which is 2,000 or a multiple of 2,000 plus a number less than the next multiple of 2,000 so that, after the exercise, the number of options then held by that holder is either 2,000 or a multiple of 2,000.
5. Where the options are certificated, they are exercisable by completing the notice of exercise which appears on the back of each option certificate (or a notice in that form) and delivering the same with payment for the number of shares in respect of which options are exercised to the registered office of the Company.
6. Where the options are uncertificated CHESS eligible securities, they are exercisable by completing a notice of exercise and delivering it together with the statement of holding in respect of the options and payment for the number of ordinary shares in respect of which the options are exercised to the registered office of the Company.
7. Any notice of exercise of options received during a month will be deemed to be effective as at the last business day of that month.
8. Shares will be allotted in respect of options exercised during a month no later than the 10th business day of the next succeeding month and share certificates will be despatched within 5 business days thereafter.
9. The options are transferable at any time prior to their expiry date.
10. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, the number of options or the exercise price of the options or both will be reconstructed (as appropriate) in a manner that complies with ASX Listing Rules applying to a reorganisation of capital for the time being and which will not result in any benefits being conferred on option holders which are not conferred on shareholders; and (subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the reconstruction of capital) in all other respects the terms of exercise of the options will remain unchanged in consequence of the reconstruction.
11. If at any time during the currency of the options any bonus shares in the capital of the Company are issued credited as fully paid by way of capitalisation of reserves or of undistributed profits, the number of shares underlying the options then held by each option holder will be increased by a number equal to the number of such bonus shares which would have been issued to that option holder if his options then held (including options exercised but in response to which exercise shares had not yet been allotted or if allotted, not yet registered) were shares.
12. Option holders are not permitted to participate in any new issue of securities by the Company unless and until they exercise the options and assume the rights of a shareholder.



COALWORKS Ltd

ACN 114 702 831

**Level 5, 44 Miller St
North Sydney NSW 2060**

Ph 02 9922 1344

Fx 02 9929 3098



COALWORKS LIMITED

Coalworks Limited

ACN 114 702 831

FOR ALL ENQUIRIES CALL:
(within Australia) 1300 737 760 (outside
Australia) +61 2 9290 9600

FACSIMILE
+61 2 9290 9655

ALL CORRESPONDENCE TO:
Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001
Australia

YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 10.00 am
WEDNESDAY 9th NOVEMBER 2011

TO VOTE ONLINE



Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an 'X' and make the correction on the form. Securityholders sponsored by a broker should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

Reference Number:

Please note it is important you keep this confidential



STEP 1 : VISIT www.boardroomlimited.com.au/vote/coalworksagm2011

STEP 2: Enter your holding/Investment type

STEP 3: Enter your Reference Number and VAC:

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 Appointment of Proxy

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

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

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

STEP 3 Sign the Form

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders must sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at **time 10:00 am on Friday, 11th November 2011**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxies may be lodged using the reply paid envelope or:

BY MAIL - Share Registry – Boardroom Pty Limited, GPO Box 3993,
Sydney NSW 2001 Australia

BY FAX - + 61 2 9290 9655

IN PERSON - Share Registry – Boardroom Pty Limited,
Level 7, 207 Kent Street, Sydney NSW 2000 Australia

Vote online at:

www.boardroomlimited.com.au/vote/coalworksagm2011
or turnover to complete the Form ➔

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

STEP 1 - Appointment of Proxy

I/We being a member/s of Coalworks Limited and entitled to attend and vote hereby appoint

<input type="checkbox"/> the Chairman of the Meeting (mark with an 'X')	OR	
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If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **Annual General Meeting of Coalworks Limited to be held at the Prince Albert Room, Sir Stamford Hotel, 93 Macquarie Street, Sydney, NSW 2000 on Friday, the 11th of November 2011 at time 10.00 am** and at any adjournment of that meeting, to act 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.

<input type="checkbox"/>	If the Chairman of the Meeting is appointed as your proxy or may be appointed by default, and you do not wish to direct your proxy how to vote in respect of resolutions 5 & 6, please mark this box. By marking this box, you acknowledge that the Chairman of the Meeting may vote as your proxy even if he has an interest in the outcome of the resolutions and votes cast by the Chairman of the Meeting for those resolutions, other than as proxy holder, will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolutions and your votes will not be counted in calculating the required majority if a poll is called. The Chair intends to vote all undirected proxies in favour of the resolutions.
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No undirected proxies to the Chairman or Key Management Personnel will be voted on Resolution1, Adoption of Remuneration Report. You are encouraged to direct your proxy by marking the box in relation to the resolution in the section below.

STEP 2 - Voting directions to your Proxy – please mark ☒ to indicate your directions

Ordinary Business

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of a Director, Sin Pyng (Tony) Teng	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of a Director, Ian Craig	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of a Director, David Edward Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Increase in Non Executive Directors' Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Re-adoption of Executive Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to the intentions advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of business.

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

STEP 3 - PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / / 2011