

Monday, 27 May 2013

Dear Shareholder

**ANNUAL GENERAL MEETING
NOTICE OF MEETING**

Hillgrove Resources Limited (ASX:HGO) is pleased to advise its next Annual General Meeting will be held in Adelaide on Wednesday, 26 June 2013. Please find all details outlined in the following Notice of Meeting.

For a copy of the interactive Annual Report please visit the Hillgrove Resources Limited website at www.hillgroveresources.com.au and click on the Home page Annual Report link and then the **Annual Report 2013** button on the right side of the page.

We hope you can join us for the Annual General Meeting on Wednesday, 26 June 2013 at 2:00pm at Hindmarsh 4 Room, Crowne Plaza Hotel, Level 15, 16 Hindmarsh Square, Adelaide, South Australia. If you are unable to attend the meeting, we encourage you to complete and return the personalised Proxy Form that has been mailed to you, or should it not have arrived please contact Boardroom Limited regarding a replacement.

Yours faithfully



Shanthi Smith
Company Secretary

HILLGROVE RESOURCES

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

THE MATTERS RAISED IN THIS DOCUMENT WILL AFFECT YOUR SHAREHOLDING IN THE COMPANY. YOU ARE ADVISED TO READ THIS DOCUMENT IN ITS ENTIRETY BEFORE THE GENERAL MEETING REFERRED TO BELOW IS CONVENED.

IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE, PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER.

HILLGROVE RESOURCES LIMITED

ACN 004 297 116

NOTICE OF ANNUAL GENERAL MEETING AND RELATED DOCUMENTATION

NOTICE OF ANNUAL GENERAL MEETING TO BE HELD AT 2:00PM (ADELAIDE – ACST) ON WEDNESDAY 26 JUNE 2013 IS INCLUDED WITH THESE DOCUMENTS.

TO BE VALID, FORMS OF PROXY FOR USE AT THIS MEETING MUST BE COMPLETED AND RETURNED TO THE COMPANY NO LATER THAN 2:00PM (ADELAIDE – ACST) ON MONDAY 24 JUNE 2013.

CONTENTS

Part A: About these documents	3
Part B: Letter from The Company Secretary	4
Part C: Notice of Annual General Meeting	5
Section 1: Time and Place of Meeting	5
Section 2: Resolutions of Annual General Meeting	6
Part D: Explanatory Notes	9
Part E: Glossary	16
Annexure A	18
Proxies and Proxy Forms	Attached

PART A: ABOUT THESE DOCUMENTS

Shareholders in Hillgrove Resources Limited ABN 73 004 297 116 (**Company**) are requested to consider and vote upon each of the Resolutions set out in the Notice.

You can vote by:

- attending and voting at the Meeting; or
- appointing someone as your proxy to attend and vote at the Meeting on your behalf, by completing and returning the Proxy Form **DIRECTLY** to the Company or its share registry in the manner set out on the Proxy Form. The Company or its share registry must receive your duly completed Proxy Form by no later than **2.00pm** (Adelaide – ACST) on **Monday 24 June 2013**.

A glossary of the key terms used throughout this document (including the Proxy Form) is contained in **Part E** of this Document.

Please read the whole of this Document carefully, determine how you wish to vote and then cast your vote accordingly, either in person or by proxy.

PART B: LETTER FROM THE COMPANY SECRETARY

HILLGROVE RESOURCES

24 May 2013

Dear Shareholder

I am pleased to invite you to attend our Annual General Meeting, being held in the Hindmarsh 4 Room, Crowne Plaza Hotel, Level 15, 16 Hindmarsh Square, Adelaide, South Australia on Wednesday 26 June 2013 at 2:00pm (Adelaide – ACST). Enclosed with this letter is the Notice of Meeting which details the items of business to be dealt with.

If you are unable to join us you are encouraged to complete the enclosed Proxy Form. The signed Proxy Form should be returned as instructed in the Notice by no later than 2:00pm (Adelaide time), Monday 24 June 2013. For details regarding voting by proxy please refer to the Notice of Meeting and instructions on the back of the Proxy Form. If you plan to attend the Meeting, please bring a copy of the Proxy Form with you to facilitate registration.

Shareholders that did not elect to receive a copy of the Company's 2013 Annual Report by mail are able to access it via our website, at www.hillgroveresources.com.au, by clicking on either of the two options on the home page.

Your vote is important and we encourage you to either attend the Meeting in person or complete the Proxy Form accompanying the Notice and return it in accordance with the directions provided.

Yours faithfully



Shanthi Smith
Company Secretary



HILLGROVE RESOURCES LIMITED ACN 004 297 116
Suite 1709, Level 17 Australia Square Tower, 264 George Street, Sydney NSW 2000, Australia

www.hillgroveresources.com.au
T +61 2 8247 9300 F +61 2 8247 9399

PART C: NOTICE OF ANNUAL GENERAL MEETING

HILLGROVE RESOURCES LIMITED (ACN 004 297 116)

Notice is hereby given that the annual general meeting of the members of Hillgrove Resources Limited (ACN 004 297 116) (**Company**) will be held at the place, date and time set out in Section 1 below and for the purpose of considering and voting upon the Resolutions set out in Section 2 below.

Please read this Document carefully and in its entirety, determine how you wish to vote in relation to each of the Resolutions and then cast your vote accordingly, either in person or by proxy. If you do not understand any part of this Document, or are in any doubt as to the course of action you should follow, you should contact your financial or other professional adviser immediately.

SECTION 1: TIME AND PLACE OF MEETING

Venue

The annual general meeting of members of the Company will be held at:
Hindmarsh 4 Room
Crowne Plaza Hotel
Level 15
16 Hindmarsh Square
ADELAIDE SA 5000

Time and Date

The meeting will commence at 2:00pm (Adelaide – ACST) on Wednesday 26 June 2013.

How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, please attend the Meeting on the date, time and place set out above.

Voting by Proxy

To vote by proxy, please complete and sign the Proxy Form enclosed with this Document as soon as possible and **either** send, deliver, courier or mail the duly completed Proxy Form:

- by facsimile to Boardroom Limited on facsimile number +61 (02) 9290 9655;
- online at **www.boardroomlimited.com.au/vote/hillgroveagm2013**;
- mail to Boardroom Limited at GPO Box 3993, Sydney NSW 2001, Australia;
- deliver to Boardroom Limited at Level 7, 207 Kent Street, Sydney NSW 2000, Australia; or
- directly to the Company, attention Company Secretary at
Suite 1709, Level 17 Australia Square Tower, 264 George Street, Sydney NSW 2000, Australia,

so that it is received no later than 2:00pm (Adelaide – ACST) on Monday 24 June 2013.

Complete details on how to vote by proxy are set out on the back of your Proxy Form.

Determination of Membership and Voting Entitlement for the Purpose of the Meeting

For the purpose of determining a person's entitlement to vote at the Meeting and in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), a person will be recognised as a member and the holder of Shares if that person is registered as a holder of Shares at 5:00pm (Sydney – AEST) on Monday 24 June 2013.

Voting Exclusion Statement

In accordance with the Corporations Act and the Listing Rules, the following persons must not cast any votes on the following Resolutions, and the Company will disregard any votes cast on that Resolution by:

RESOLUTION	EXCLUDED VOTERS
1	All Directors, other Key Management Personnel and their respective associates or any other closely related party (other than by means of a directed proxy)
2 and 3	None
4	All Directors and their respective associates (other than by means of a directed proxy)
5 and 6	All Directors and other potential participants in the OPR Plan and their respective associates
7 and 8	Macquarie Bank Limited and its associates

However, the Company need not disregard a vote if it is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form to vote as the proxy decides.

Proxies

A Shareholder, entitled to attend and vote at this Meeting pursuant to the Constitution, is entitled to appoint no more than two proxies. Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. A proxy need not be a Shareholder. Any instrument of proxy deposited or received by the Company in which the name of the appointee is not filled in shall be deemed to be given in the favour of the Chair of the Meeting.

The instrument appointing a proxy must be lodged, and any power of attorney or an office copy of a notarially certified copy thereof under which an attorney for a member appoints a proxy must be lodged by no later than **2:00PM (ADELAIDE – ACST)** on **MONDAY, 24 JUNE 2013** in accordance with the instructions provided in the Proxy Form.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney or if such appointor is a corporation, under the hand of its attorney or the hand of a person duly authorised by the corporation. The Proxy Form which accompanies this Notice may be used.

SECTION 2: RESOLUTIONS OF ANNUAL GENERAL MEETING

BUSINESS

A. ACCOUNTS

To receive and consider the Company's financial statements for the 12 months ended 31 January 2013 and the related reports of the Directors and auditors.

B. REMUNERATION REPORT

The Remuneration Report is in the Directors' Report section of the Company's 2013 Annual Report (pages 30-39). Listed companies are required to submit the Remuneration Report to a vote for adoption at the Company's Annual General Meeting. The resolution will be determined as an ordinary resolution but is advisory only and does not bind the Directors or the Company.

To consider and, if thought fit, to pass, with or without amendment, the following in accordance with section 250R(2) of the Corporations Act:

Resolution 1 – Remuneration Report

“That the Remuneration Report in pages 30 to 39 (inclusive) of the 2013 Annual Report of the Company be adopted.”

C. RE-ELECTION OF DIRECTOR

In accordance with the Constitution, Dean Craig Brown retires by rotation pursuant to Article 6.3, effective at the conclusion of this Meeting, and being eligible, offers himself for re-election.

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

Resolution 2 – Re-election of Director Retiring By Rotation

“That The Honourable Dean Craig Brown, AO is re-elected as a Director of the Company.”

D. ELECTION OF DIRECTOR

In accordance with the Constitution, Gregory Campbell Hall who has been appointed as a Director since the Company's last annual general meeting, retires pursuant to Article 6.3, effective at the conclusion of this Meeting, and being eligible, offers himself for election.

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

Resolution 3 – Election of Director

“That Gregory Campbell Hall is elected as a Director of the Company.”

E. APPROVAL OF MANAGING DIRECTOR'S LONG TERM INCENTIVE

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

Resolution 4 – Approval of Managing Director's Long Term Incentive

“That for the purposes of Listing Rule 7.1 and Listing Rule 10.14 and for all other purposes, the Shareholders approve the proposed issue by the Company to Gregory Campbell Hall of 7,000,000 Performance Rights which once issued and otherwise in accordance with the Hillgrove Option and Performance Rights Plan and as more particularly described in Part D of this document, will entitle Gregory Campbell Hall to be issued with an equal number of Shares, upon and subject to the satisfaction of specific performance criteria by the third anniversary of the date of issue of those Performance Rights.”

For a detailed discussion of the circumstances material to a consideration of Resolution 4, please read Part D, Paragraph 1 below.

F. RE-APPROVAL OF OPR PLAN

Further to the approval of the Company's Option and Performance Rights Plan (**OPR Plan**) on the 3 December 2010, it is sought that the OPR Plan (a copy of the terms and conditions of which are set out in full in Annexure A) be re-approved.

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

Resolution 5 – Re-approval of OPR Plan:

*“That for the purposes of Listing Rule 7.2, Exception 9(b) and for all other purposes, the Shareholders approve the Company's Option and Performance Rights Plan (**OPR Plan**).”*

For a detailed discussion of the circumstances material to a consideration of Resolution 5, please read Part D, Paragraph 2 below.

G. APPROVAL OF HILLGROVE GENERAL EMPLOYEE SHARE PLAN (GESP)

General Employee Share Plan (**GESP**) is a new employee share plan that will enable the Company to offer securities up to the value of \$1,000 per annum per employee, subject to certain qualifying conditions set down in Division 83A (ITAA 97) designed to encourage general employee equity participation in the Company.

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

Resolution 6 – Approval of GESP and Share Issues under GESP to Employees:

*“That for the purposes of Listing Rule 7.2, Exception 9(b) and Section 260C of the Corporations Act 2001 and for all other purposes, issues under the Hillgrove General Employee Share Plan (**GESP**), on the terms*

set out in the Explanatory Notes accompanying this Notice of Meeting for the period from the date of this Meeting to and including the third anniversary of that date, be approved.”

For a detailed discussion of the circumstances material to a consideration of Resolution 6, please read Part D, Paragraph 3 below.

H. CANCELLATION OF ISSUE OF ORIGINAL OPTIONS TO MACQUARIE BANK

On 22 April 2013 the Company agreed to allot to Macquarie Bank Limited, in partial consideration for the extension of the term and other re-structuring of a \$10,000,000 mezzanine debt facility, the 2015 Options outlined in Resolution 8. Macquarie Bank Limited also agreed as part of this consideration to the cancellation of the previously approved options outlined in Resolution 7 below. In accordance with the provisions of Listing Rule 6.23.2, Shareholders are required to approve the cancellation of all original Macquarie Options.

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

Resolution 7 – Cancellation of Original Macquarie Options

“That for the purposes of Listing Rule 6.23.2 and for all other purposes, the Shareholders approve the cancellation of 27,777,777 options to Macquarie Bank Limited, each exercisable at \$0.27 per option.”

For a detailed discussion of the circumstances material to a consideration of Resolution 7, please read Part D, Paragraph 4 below.

I. RATIFICATION OF ISSUE OF 2015 OPTIONS TO MACQUARIE BANK

On 22 April 2013 the Company agreed to allot to Macquarie Bank Limited, in partial consideration for the extension of the term and other re-structuring of a \$10,000,000 mezzanine debt facility, the 2015 Options outlined below. The ratification of the issue of the 2015 Options is now being sought for the purpose of Listing Rule 7.4.

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

Resolution 8 – Ratification of issue of 2015 Options

“That for the purposes of Listing Rule 7.2, Exception 4, Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and issue to Macquarie Bank Limited of:

(a) 25,000,000 options, each exercisable at \$0.135 per option on or before 30 April 2015; and

(b) 25,000,000 options, each exercisable at \$0.135 per option on or before 31 July 2015,

and that when any of the foregoing options are exercised in accordance with their terms and conditions of issue, will entitle the holder of each option to one (1) Share.”

For a detailed discussion of the circumstances material to a consideration of Resolution 8, please read Part D, Paragraph 5 below.

J. OTHER BUSINESS

To transact any other business as may be brought before the Meeting.

By order of the Board



Shanthi Smith
Company Secretary

Dated: 24 May 2013

PART D: EXPLANATORY NOTES

This Explanatory Statement is included in and forms part of the Notice of Meeting. It contains an explanation of, and information about, the Resolutions to be considered at the Meeting. It is given to Shareholders to help them determine how to vote on the Resolutions set out in the accompanying Notice of Meeting.

Shareholders should read this Explanatory Statement in full as individual sections do not necessarily give a comprehensive review of the Resolutions contemplated in this Explanatory Statement.

If you are in doubt about what to do in relation to a Resolution, you should consult your financial or other professional advisor.

No specific explanation is proposed for any of Resolution 1, Resolution 2, or Resolution 3, as the Directors feel that their intent and, if approved, effect is self-explanatory.

1. Resolution 4 – Approval of Managing Director's Long Term Incentive

Background and reasons for Resolution 4

The Board proposes to offer participation in the Options and Performance Rights Plan (“**OPR Plan**”) to Gregory Campbell Hall, the Managing Director and Chief Executive Officer of the Company. In accordance with the provisions of Listing Rule 10.14, the Company requires that Shareholders approve the grant of securities to Mr Hall under the OPR Plan.

The Board proposes to offer participation in the OPR Plan to Mr Hall by issuing to him of up to 7,000,000 performance rights (“**Performance Rights**”) as described in this explanatory statement. Accordingly, Shareholder approval is sought for the grant to Mr Hall of up to that number of Performance Rights under the OPR Plan (“**2013 LTIP Invitation**”)

The terms of the proposed grant are explained in more detail below.

Director's remuneration

The proposed 2013 LTIP Invitation represents a gross dollar value equal to approximately 95% of Mr Hall's Total Fixed Remuneration, being approximately \$547,400 before any allowance for performance discounts.

Maximum number of shares

Each vested Performance Right will convert into one Share. Accordingly, the maximum number of Shares that may be acquired by Mr Hall through his exercise of the Performance Rights is 7,000,000 Shares.

Price payable on grant or exercise of Performance Rights

Mr Hall will not be required to pay any amount on either the grant or vesting of his Performance Rights under the 2013 LTIP Invitation or upon exercise of any of those Performance Rights, once vested. The Performance Rights are not transferable.

Names of all persons who received Shares or Performance Rights under the last approval

Since the last approval that occurred at the Company's last annual general meeting on 28 June 2012, 2,475,000 Performance Rights were issued to Drew Simonsen, the then Chief Executive Officer and Managing Director of the Company. Mr Simonsen ceased being the Chief Executive Officer and Managing Director of the Company on 27 July 2012. No cash consideration was payable by Mr Simonsen in respect of the issue of those Performance Rights and they were duly cancelled upon cessation of Mr Simonsen holding the above mentioned positions.

Mr Hall will receive 750,000 Performance Rights in accordance with the terms of his contract of employment. The performance rights provided to Mr Hall are restricted and can only be settled by on-market purchase of Shares and therefore the exercise of those Performance Rights cannot be dilutive to Shareholders.

Names of all Directors, associates of Directors persons who ASX regards as related to the Company, who are entitled to participate in OPR Plan

At the date of this Notice, the only Director entitled to participate in OPR Plan is Gregory Campbell Hall or any of his associated interests.

Terms of any loan relating to the acquisition of Shares

There are no loans relating to the exercise of any Performance Rights or the acquisition of any Shares under the OPR Plan.

Date by which grants of Performance Rights may be made

It is proposed that the Performance Rights will be granted to Gregory Campbell Hall no later than 12 months after shareholder approval is received in respect of the 2013 LTIP Invitation.

Requirements for approval

Shareholder approval of the participation of Gregory Campbell Hall in the OPR Plan and his acquisition of Performance Rights as detailed above and of Shares on vesting of those Performance Rights is sought for all purposes under the Corporations Act and the Listing Rules, including Listing Rule 10.14.

ASX Listing Rule 10.14

Under Listing Rule 10.14, an entity must not issue securities to a related party (such as a Director or a company controlled by a Director) under an employee incentive scheme without the approval of Shareholders. Accordingly, approval of Shareholders is sought for the purpose of Listing Rule 10.14 to enable the Company to make grants of Performance Rights, and subsequently issue or transfer Shares, to Gregory Campbell Hall.

The Board (other than Gregory Campbell Hall) unanimously recommends that Shareholders vote in favour of Resolution 4.

Assessed value of the benefit

The value of the Performance Rights has been assessed by an independent consultant applying a modified binomial valuation methodology.

The values attributable are based on variables determined at the date of valuation and are indicative only. The Company will prepare and report a valuation based on actual variables at the date of issue, if approved and granted.

The input variables applied in the model for the purposes of the indicative value are as follows:

Input variables:	
Indicative date*	14-May-13
Share price**	\$0.077
Exercise Price	\$0.00
Risk free rate	2.54%
Expected dividend yield	0.00%
Standard deviation	73.38%
Number of days	1,096
Assessed value per Performance Right	\$0.0782
Number of Performance Rights	7,000,000
Gross estimated annualised value	
<i>(before discount for performance probabilities)***</i>	
2014 Financial Year	\$ 131,356
2015 Financial Year	\$ 182,300
2016 Financial Year	\$ 182,300
2017 Financial Year	\$ 51,444
	\$ 547,400

* Being the date of the preparation of this notice

** Being the closing price of Shares on 14 May 2013

*** Assumes 14 May 2013 grant

Potential value of the benefit to Gregory Campbell Hall

7,000,000 Performance Rights represents less than 0.7% of the current issued capital of the Company. A benefit will accrue to Gregory Campbell Hall only if the service and performance conditions set out below are satisfied.

Depending on the future value of the Shares, and assuming all the conditions of the 2013 LTIP Invitation are satisfied, the estimated value of the benefit under a number of future Share price assumptions is as follows:

Future Share Price	Potential Value of the benefit (\$m)*	Company Market Capitalisation if potential benefit achieved (\$m)^
\$0.10	\$0.70	\$102.28
\$0.15	\$1.05	\$153.41
\$0.25	\$1.75	\$255.69
\$0.50	\$3.50	\$511.38

* Assumes performance and service conditions met and does not include any dividend benefit.

^ Assumes constant issued capital of 1,022,760,221 Shares.

Performance conditions

The number of Performance Rights which will vest in accordance with the Plan Rules and the invitation is dependent on performance conditions which can be summarised as follows:

Performance Condition: External Performance Condition (TSR outperformance)	
100% of the Performance Rights are subject to an external Performance Condition, namely, the Company's Total Shareholder Return (TSR) performance relative to the component companies in the S&P/ASX Small Resources Accumulation Index measured over the Measurement Period.	
Vesting of the Performance Rights subject to the TSR outperformance condition will be calculated based on the following percentile results in the table below:	
TSR Ranking versus component companies in the S&P/ASX Small Resources Accumulation Index	% of Performance Rights to vest
Below the 50th percentile	0% vest
At the 50th percentile	50% vest
Between the 50th and 75th percentile	2% vesting on a straight line interpolation for each percentile ranking
At or above the 75th percentile	100% vest
TSR will be measured by an independent third party over the Measurement Period being the period from the Grant Date to the third anniversary of the Grant Date.	

Service conditions

The vesting of the Performance Rights is also subject to Gregory Campbell Hall remaining continuously employed with the Company until the Vesting Date.

The **Vesting Date** in relation to Gregory Campbell Hall's 2013 LTIP Invitation Performance Rights will be the third anniversary of the Grant Date.

Price payable on grant or exercise of Performance Rights

Gregory Campbell Hall will not be required to pay an amount on grant or vesting of Performance Rights.

Change of control

Subject to the Listing Rules, if a "Change of Control Event" occurs, all unvested Performance Rights will vest on a pro-rata basis. Subject to the Listing Rules, the balance of unvested Performance Rights may also vest at the discretion of the Board.

Automatic exercise on vesting

Any Performance Rights that are the subject of the 2013 LTIP Invitation and that vest after having met the performance and service conditions will automatically be exercised and an equal number of Shares will be issued to Gregory Campbell Hall. Any unvested Performance Rights will lapse.

No right to dividends, bonus or rights issues

None of the Performance Rights that are the subject of the 2013 LTIP Invitation confer on the holder an entitlement to receive dividends or to participate in bonus issues or rights issues until such time as those Performance Rights vest and Shares are issued or transferred.

No voting rights

The Performance Rights that are the subject of the 2013 LTIP Invitation do not confer an entitlement to vote at general meetings of the Company until such time as the Performance Rights vest and Shares are issued or transferred.

Non-quotations

The Company will not apply to the ASX for official quotation of the Performance Rights that are the subject of the 2013 LTIP Invitation. Shares issued pursuant to the vesting of a Performance Right will rank equally with the Shares then on issue and will be the subject of an application by the Company for official quotation.

Disclosure of grants under the Plan

Details of any securities, including Performance Rights, granted under the OPR Plan will be disclosed in the Company's annual report relating to the period in which those securities have been issued, and that approval for the issue of those securities was obtained under Listing Rule 10.14.

Voting Exclusion Statement

In accordance with Listing Rule 10.15.5, the Company will disregard any votes cast on Resolution 4 by:

- any Director; and
- any associate of a Director.

However, the Company will 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 a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 5 – Approval of OPR Plan

Further to the approval of the Company's Option and Performance Rights Plan (**OPR Plan**) scheme on the 3 December 2010, it is sought that the OPR Plan is re-approved.

In accordance with the provisions of Listing Rule 7.2, Exception 9(b), an entity that has obtained the prior approval of its shareholders to a proposed issue of shares or other securities under an "employee incentive scheme" may exclude those shares or other securities issued, from being included in the "15% rule" limit applicable under Listing Rule 7.1.

Accordingly, the Company is seeking shareholder approval to the OPR Plan.

As required by the provisions of Listing Rule 7.2, Exception 9(b):

- (a) a summary of all the material terms and conditions of the OPR Plan is set out in **Annexure A** to these Documents. The Company recommends that you read and carefully consider all those terms and conditions before voting on Resolution 5. A copy of the complete OPR Plan will be made available, free of charge, upon request by any Shareholder to the Company Secretary; and

(b) since 3 December 2010, being the last date of Shareholder approval of the OPR Plan, the Company has issued 14,865,000 Performance Rights to a total of 30 employees under the provisions of the OPR Plan. As at 14 May 2013 there are 10,720,000 Performance Rights outstanding in respect of 18 employees.

Voting Exclusion Statement: the Company will disregard any votes cast on Resolution 5 by all Directors and other potential participants in the OPR Plan and their respective associates.

However, the Company need not disregard a vote cast on Resolution 5 if:

- (i) it is cast by any of the foregoing persons, as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) 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.

3. Resolution 6 – Approval of Share Issue to Employees under General Employee Share Plan

ASX Listing Rule 7.1 provides a formula that limits the number of securities the Company may issue without shareholder approval to 15% of each class of securities within any 12 month period.

ASX Listing Rule 7.2, exception 9, provides that a company's shareholders may approve the issue of any securities under an employee incentive scheme as an exception to Rule 7.1 up to three years prior to the date of the issue.

GESP is a new employee share plan that will enable the Company to offer securities up to the value of \$1,000 per annum per employee of the Company or any subsidiary of the Company, subject to certain qualifying conditions set down in Division 83A (ITAA 97) designed to encourage general employee equity participation.

The operation of the GESP involves the Company financial assistance in connection with the acquisition of its own shares.

Section 260A of the Corporations Act sets out certain requirements with which a company must comply in order to be able to financially assist a person to acquire shares in that company or any subsidiary of that company. Section 260C (4) provides that the provision of financial assistance under an employee shares scheme that is approved by a resolution passed at a general meeting of the company will be exempted from the requirements of section 260A.

Accordingly, Shareholder approval in Resolution 6 is also sought pursuant to section 260C of the Corporations Act.

Summary of terms of GESP

The GESP enables eligible employees to acquire Shares up to the value of \$1,000 each year on a tax exempt basis.

All eligible permanent employees at the time of offer may be invited to subscribe for Shares valued at up to \$1,000 at the time of the offer, or such lower level as the Board may determine. The Company may provide the Shares without contribution from the applicable employee or with contributions from the employee, depending on the circumstances of the offer and its incentive and remuneration purpose. In addition, the Company will satisfy the cost of administration of the GESP.

Operation of the GESP

The GESP will operate and be administered under a special purpose 'sole activities' Hillgrove Employee Share Trust (**HEST**).

Entitlement to Shares

Shares offered under the GESP must be held under the terms of the HEST on behalf of the employees for three years while they remain employed.

Forfeiture of shares

Shares offered under the GESP cannot be subject to forfeiture.

Shareholding Rights

Shares issued under the GESP carry full shareholder rights such as in relation to participation in rights and bonus issues, voting and dividends but will not participate in any dividend reinvestment plan, if any, unless specifically approved by the Board to do so at the time.

Variation of Rules

The Board may alter the rules of the GESP or their application subject to the Listing Rules. Prior approval by ordinary resolution of the Shareholders will be required for amendments which are to the advantage of participants and which relate to certain specified events.

Limitation on Issues

The number of Shares that may be issued or acquired under the GESP when aggregated with the number of Shares issued or acquired during the previous 5 years from Share issues under all employee share schemes established by the Company (including Shares issued as a result of the exercise of options granted during the previous 5 years under any such employee share scheme) must not exceed five (5) per cent of the total number of Shares on issue, excluding unregulated offers.

A copy of the GESP Plan Rules and Trust Deed may be requested from the Company Secretary, at no cost.

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 6 by:

- any Director; and
- any associate of a Director.

However, the Company will not disregard a vote if:

- it is cast by any of the foregoing persons 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 a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Resolution 7 – Cancellation of Original Macquarie Options

On 22 April, 2013, the Company agreed to the issue to Macquarie Bank Limited of the 2015 Options (as referred to in Paragraph 5 immediately below) in partial consideration for the extension of the term and other re-structuring of a \$10,000,000 mezzanine debt facility (**Macquarie Facility**) (see ASX Announcement by the Company dated 22 April 2013).

Macquarie Bank Limited also agreed, in the course of the extension of the term and other re-structuring of the Macquarie Facility and in consideration for the issue to it of the 2015 Options, that subject to Shareholder approval in accordance with the Listing Rules being obtained, 27,777,777 options each at an exercise price of \$0.27 that had been issued to Macquarie Bank Limited on 19 December 2012 (**Original Macquarie Options**), be cancelled.

In accordance with the provisions of Listing Rule 6.23.2, the Shareholders are required to approve the cancellation of all Original Macquarie Options.

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 7 by:

- Macquarie Bank Limited; and
- any associate of Macquarie Bank Limited.

However, the Company will not disregard a vote if:

- it is cast by any of the foregoing persons 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 a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. Resolution 8 – Ratification of issue of 2015 Options

On the 22 April, 2013, the Company agreed to allot to Macquarie Bank Limited, in partial consideration for the extension and re-structuring of a \$10,000,000 mezzanine debt facility (**Macquarie Facility**) (see ASX Announcement by the Company dated 22 April 2013):

- (a) 25,000,000 options each exercisable at \$0.135 per option on or before 30 April 2015; and
 - (b) 25,000,000 options each exercisable at \$0.135 per option on or before 31 July 2015,
- (collectively, **2015 Options**).

The exercise of each 2015 Option in accordance with its terms would entitle Macquarie Bank Limited to be allotted with one (1) Share.

The ratification of the issue of the 2015 Options is now being sought for the issue for the purpose of Listing Rule 7.4. The passing of this Resolution 8 will enable the Company to issue Shares upon the exercise of any of the 2015 Options in accordance with their terms and conditions of issue, that will not be included in the determination of the number of Shares that the Company is otherwise permitted to issue without further Shareholder approval, within any 12 month period in accordance with Listing Rule 7.1.

Other than as a result of funds made available to the Company under the Macquarie Facility, no cash funds have been received by the Company as a result of the issue of the 2015 Options.

In accordance with the disclosure requirements of Listing Rule 7.5:

- (a) 50,000,000 2015 Options were issued.
- (b) The price at which each 2015 Option was issued was nil cash consideration. However, they were issued as partial consideration for the extension of the term by 2 years, and the re-structuring of various other provisions, of the Macquarie Facility.
- (c) The allottee of all 2015 Options was Macquarie Bank Limited.
- (d) The material terms of the 2015 Options are:
 - (i) Issue price: nil cash consideration;
 - (ii) Exercise price: \$0.135 per 2015 Option;
 - (iii) Exercise period: as to 25,000,000 2015 Options at any time on or before 30 April 2015; and as to a further 25,000,000 2015 Options at any time on or before 31 July 2015; and
 - (iv) Conversion ratio: one (1) Share for each 2015 Option exercised in accordance with its terms of issue.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 8 by:

- Macquarie Bank Limited ; and
- any associate of Macquarie Bank Limited.

However, the Company will not disregard a vote if:

- it is cast by any of the foregoing persons 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 a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

PART E: GLOSSARY

For the purposes of this document, including Annexure A, the following terms have the meanings prescribed below:

2013 Annual Report	the Company's Annual Report for the 12 month period ended 31 January 2013.
ASX	ASX Limited ACN 008 624 691 or the securities exchange market operated by it, as the context requires.
Board	the board of Directors.
Change of Control	<p>an event:</p> <p>(a) where:</p> <p>(i) a person has, or is entitled to acquire, the right or power to secure, whether directly or indirectly, 50.1% or more in number of the issued share capital of the Company as a result of a takeover bid; and</p> <p>(ii) that takeover bid has become unconditional; or</p> <p>(b) being the announcement by the Company that:</p> <p>(i) shareholders of the Company have, at a court convened meeting of those shareholders, voted in favour of, by the necessary majority, a proposed scheme of arrangement under which all the issued share capital of the Company is to be either:</p> <p>(A) cancelled; or</p> <p>(B) transferred to a third party; and</p> <p>(ii) the court, by order, approved that proposed scheme of arrangement.</p> <p>For the purposes of this Document and any part thereof, the acquisition of all or any of the Consideration Securities and the acquisition of all or any Shares that are issued as a result of the conversion or enforcement of any Performance Rights, will not be taken into account when determining whether or not a Change of Control Event has occurred.</p>
Company	Hillgrove Resources Limited ACN 004 297 116.
Constitution	the constitution of the Company.
Corporations Act	the Corporations Act 2001 (Cth).
Director	a director of the Company.
Document	this document entitled "Notice of Annual General Meeting and Related Documentation" and any annexures or schedules to or of the foregoing.
Eligible Person	a member of the senior executive management of the Company and any other person nominated by the Board.
GESP	General Employee Share Plan designed in compliance with the exempt benefit provisions of Division 83A (ITAA 97).
Grant Date	the date upon which the Performance Rights are issued to Mr Hall in accordance with the OPR Plan.
HEST	Hillgrove Employee Share Trust established to administer the company's employee share schemes in accordance with the rules of those plans.
Invitation	an invitation from the Board to an Eligible Person to participate in the OPR Plan.

Key Management Personnel	those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rule	the listing rules of the ASX as amended from time to time.
Meeting	the Annual General Meeting referred to in the Notice.
Notice or Notice of Meeting	the Notice of Annual General Meeting, forming part of this Document.
Option	the right to acquire a Share.
OPR Plan	the Hillgrove Option and Performance Rights Plan as constituted by the Rules adopted by the Company on 3 December, 2010, and the material terms and conditions of which are more particularly set out in Annexure A .
Performance Right	a right to acquire a Share, the terms and conditions of which are set out in Annexure A .
Proxy Form	the proxy form attached to this Document.
Resolution	a resolution set out in the Notice.
Share	a fully paid ordinary share in the Company.
Shareholder	a registered holder of Shares.

Plan Rules

The Hillgrove Resources Option & Performance Rights Plan (**OPR Plan**) Rules will establish the OPR Plan. The specific terms of a particular grant, including any conditions of offer will be contained in the Invitation and associated documentation attached to any offer to an Eligible Person.

Eligible Persons

The OPR Plan will be used for offers to eligible invited executives of the Hillgrove group of companies (**Hillgrove Group**) as approved by the Board of the Company (**Board**). Each such person who participates in the OPR Plan is hereafter referred to as a Participant.

Options or Rights to Acquire Shares

Grants under the OPR Plan will be of options or rights to acquire shares in the Company (each a **Performance Right**). The grants may comprise one or several tranches.

Invitation to Participate

Under the OPR Plan Rules, the Board may invite an Eligible Person to apply for Performance Rights. At the request of the Participant and with the approval of the Board, to the extent that the Participant does not personally apply for the full number of Performance Rights referred to in an Invitation, some or all of the balance of the Performance Rights may be granted to an Associate of, and as nominated in writing by, the Participant. “Associate” for this purpose has the meaning given in the Income Tax Assessment Act.

Performance Rights are non-transferable

A Performance Right granted to a Participant (including a nominated Associate) is not transferable and may not otherwise be dealt with, except with the Board’s approval, or by force of law on death or legal incapacity.

Exercise Price

The exercise price, if any, of a Performance Right will be an amount determined by the Board, fixed at the date of grant or determined by application of methodology approved by the Board.

Consideration

A Participant may be required to pay nominal consideration to the Company to receive the Performance Rights or the Performance Rights may be offered for no consideration, at the discretion of the Board.

Exercise of Performance Rights

Performance Rights will have a term as determined by the Board (**Exercise Period**). The Board may prescribe the date or the method of calculating the date on which a Performance Right becomes exercisable (**Exercise Date**). On or after the prescribed Exercise Date and provided any conditions to the exercise of a Performance Right prescribed by the Board have been achieved, including the achievement of any performance hurdles as referred to below, and where applicable, to the extent they have been achieved, a Participant may then acquire Shares by exercising his or her Performance Rights. In certain circumstances this exercise process may be automatic. A Performance Right will lapse if not exercised on or before the expiry of the Exercise Period pertaining to that Performance Right, and otherwise in accordance with its terms of issue.

Early Cessation of Employment

If the Participant ceases employment with any member of the Hillgrove Group prior to the Exercise Date as a result of death or incapacity, the Board will have the discretion to allow some or all of the Performance Rights to be exercised. In accordance the applicable provisions of the Corporations Act, the number and value of the Performance Rights able to be exercised will be determined by the Board having regard to the individual circumstances of the cessation event.

Change of Control

If as a result of a takeover, scheme of arrangement or other change of control, the conditions attaching to the Performance Rights are rendered incapable of being met, the Board may determine that either a pro-rata number of, or all, the Performance Rights may be exercised, depending on the individual circumstances.

Performance hurdles

The Board is aware that best practice executive equity incentive design requires that long-term equity-based rewards should be linked to the achievement of relevant performance hurdles. The performance hurdle(s) to be applied to an Invitation will be determined by the Board and may vary from offer to offer or from person to person.

Restrictions on disposal

The Board may implement an appropriate procedure to restrict the disposal of or other dealing with any Shares converted on the exercise of the Performance Rights to meeting any market or inside trading restrictions or holding locks.

Source of Shares

Shares required for the purposes of the OPR Plan may be sourced either by issuing new Shares or by, in accordance with the requirements of the Corporations Act, acquiring existing Shares off market or on market, at the Board's discretion.

Payment for Shares

Any costs associated with Shares issued, purchased or otherwise acquired for the purposes of the OPR Plan will be paid by the Company. Any Exercise Price payable on the exercise of a Performance Right will be paid by the Participant or his Associate.

No Loans

Loans made by the Company or any other member of the Hillgrove Group will not be permitted as part of the OPR Plan.

No hedging of Unvested Options or Performance Rights

No Participant will be permitted to enter into transactions or arrangements, including by way of derivatives or similar financial products, which limit the economic risk of holding unvested Performance Rights or of exercising any right attaching to any Performance Right.

Trust

To manage the vesting conditions attaching to any Performance Right, exercise procedures, any holding lock or restrictions and the employee share scheme reporting requirements, settlement of vested Performance Rights may be arranged using an employee share trust.

Reconstructions, Bonus and Rights Issues

The Exercise Price of a Performance Right will be adjusted in a manner contemplated by the Listing Rules from time to time to take account of capital reconstructions and bonus issues.

If there is a rights issue by the Company to all Shareholders before a Performance Right under the OPR Plan is exercised, the Exercise Price for a Performance Right will be appropriately adjusted in the same manner as provided in the formula applicable to options, as set out in the Listing Rules.

Limitation on Issues

The number of Shares that may be issued under the OPR Plan is set with regard to the limits prescribed by the Australian Securities & Investments Commission (**ASIC**) with respect to employee share scheme offers that may be made without the issue of a prospectus. Currently these limits provide that the number of shares that may be issued, when aggregated with the number of shares issued during the previous 5 years from share issues under all employee share schemes established by the Company (including as a result of exercise of options or rights to acquire shares granted during the previous 5 years under any such employee share scheme), must not exceed five per cent. (5%) of the total number of shares on issue disregarding certain unregulated offers.

Amendments to Plan Rules

Subject to the provisions of the OPR Plan, the Board may amend the OPR Plan Rules or the terms of grant, if required to do so. However, the OPR Rules may not be amended if, broadly, in the Board's opinion the amendment would materially reduce the rights of the relevant Participant in respect of Performance Rights already granted.

Exceptions to this permit amendment for the purpose of complying with State or Commonwealth legislation or to address any adverse tax implications for Participants generally or by any member of the Hillgrove Group.



HILLGROVE RESOURCES

HILLGROVE RESOURCES LIMITED

Suite 1709
Level 17 Australia Square Tower
264 – 278 George Street
Sydney NSW 2000
Australia

Tel: + 61 2 8247 9300

Fax: + 61 2 8247 9399

www.hillgroveresources.com.au

All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001, Australia
Level 7, 207 Kent Street
Sydney NSW 2000, Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 2:00pm (ACST) on Monday, 24 June 2013.**

🖥 TO VOTE ONLINE

STEP 1: VISIT www.boardroomlimited.com.au/vote/hillgroveagm2013

STEP 2: Enter your holding/investment type:

STEP 3: Enter your Reference Number:

STEP 3: Enter your Voting Access Code:

PLEASE NOTE: For security reasons it is important you keep the above information confidential.

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate 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.

Appointment of a Second Proxy

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

To appoint a second proxy you must:

- 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.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark 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 securities are to be voted on any item by inserting the percentage or number that 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 for all your securities your vote on that item will be invalid.

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.

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 securityholders should 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 should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **2:00pm (ACST) on Monday, 24 June 2013.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

💻 **Online** www.boardroomlimited.com.au/vote/hillgroveagm2013

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001, Australia

👤 **In Person** Level 7, 207 Kent Street
Sydney NSW 2000, Australia

Attending the Meeting

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

PLEASE DO NOT USE THIS PROXY TO VOTE – CONTACT BOARDROOM FOR YOUR PERSONALISED FORM IF IT HAS NOT ARRIVED BY MAIL#

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 in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

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

Appoint the **Chairman of the Meeting** (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy here

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 Hillgrove Resources Limited to be held at the Hindmarsh 4 Room, Crowne Plaza Hotel, Level 15, 16 Hindmarsh Square, Adelaide, South Australia on Wednesday, 26 June 2013 at 2.00pm (ACST)** 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.

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 Resolution 1, 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 resolution and votes cast by the Chairman of the Meeting for the resolution, 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 this resolution 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 resolution.

In addition to the intentions advised above, the Chairman of the Meeting intends to vote 100% of all undirected proxies in favour of each of the items of business.

STEP 2 VOTING DIRECTIONS * 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 vote will not be counted in calculating the required majority if a poll is called.

	For	Against	Abstain*
Resolution 1 Adoption of the Remuneration Report in the 2013 Annual Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of the Hon. Dean Craig Brown as Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Election of Gregory Campbell Hall as Managing Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval of issue of 7,000,000 Performance Rights as LTI's to Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Re-approval of Company's OPR Plan ratified on the 3 December 2010	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Approval of General Employee Share Plan and share issues under GESP to Employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Cancellation of issue of 27,777,777 Options at \$0.270 to Macquarie Bank Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 Ratify issue of 50,000,000 options at \$0.135 to Macquarie Bank Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2013