



(ACN 115 157 689)

of Suites 3-4, 136 Main Street, Osborne Park WA 6017

Circular to Shareholders
including
NOTICE OF EXTRAORDINARY GENERAL MEETING
EXPLANATORY STATEMENT
PROXY FORM

**Extraordinary General Meeting of Fairstar Resources Limited to be held at
the Hyatt Hotel, 99 Adelaide Terrace, Perth WA 6000
on Friday, the 10th day of September 2010 commencing at 2.00 pm (WST).**

This document should be read in its entirety. If after reading this Circular to Shareholders, you have any questions or doubts as to how you should vote, you should contact your stockbroker, solicitor, accountant or professional adviser.

FAIRSTAR RESOURCES LIMITED
ACN 115 157 689

Corporate Directory

Directors	<p>Kenneth Allen Kevin J. Robertson Gary Lyons Con Markopoulos Harold J. Paiker</p>	<p>Chairman – Non-Executive Managing Director Director – Non-Executive Director – Non-Executive Director – Non-Executive</p>
Secretary	Alan Thomas	
Head Office	<p>Suites 3-4 136 Main Street OSBORNE PARK WESTERN AUSTRALIA 6017 Phone: (08) 9242 5111 Fax: (08) 9242 5677 Website: www.fairstarresources.com</p>	
Registered Office	<p>Suites 3-4 136 Main Street OSBORNE PARK WESTERN AUSTRALIA 6017</p>	
Auditors	<p>Stantons International Pty Ltd 1 Havelock Street WEST PERTH WESTERN AUSTRALIA 6005</p>	
Solicitors	<p>Lawton Gillon Level 11 16 St Georges Terrace PERTH WESTERN AUSTRALIA 6000</p>	
Share Registry	<p>Advanced Share Registry Services 110 Stirling Highway NEDLANDS WESTERN AUSTRALIA 6009</p>	
ASX Code	<p>FAS FASOA</p>	

FAIRSTAR RESOURCES LIMITED
ACN 115 157 689

Notice of Extraordinary General Meeting

NOTICE IS GIVEN THAT an Extraordinary General Meeting of the Company will be held at the Hyatt Hotel, 99 Adelaide Terrace, Perth WA 6000 on Friday day, the 10th day of September 2010 commencing at 2.00 pm (WST).

Information on the proposals to which the resolutions set out below relates is contained in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.

BUSINESS OF THE MEETING

ORDINARY BUSINESS

RESOLUTION

1. RESOLUTION 1 – SUBSEQUENT APPROVAL OF SECURITIES

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

“That for the purposes of Listing Rule 7.4 of the Listing Rules of the ASX and for all other purposes, the issue of or agreement to issue 63,083,588 Shares on the dates and on the terms set in the Explanatory Statement be subsequently approved.”

Voting Exclusion

In accordance with Listing Rule 7.5.6, any votes cast on Resolution 1 by or on behalf of a person who participated in the placement and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of Shares, if Resolution 1 is passed, or any of the respective associates of such persons, will be disregarded.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

2. RESOLUTION 2 – APPROVAL TO ISSUE OPTIONS

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

“That for the purpose of Listing Rule 7.1 of the Listing Rules of the ASX and for all other purposes the Company be authorised to issue 10,000,000 options to subscribe for ordinary Shares to Raymore Millard on the terms set out in the Explanatory Statement.”

Voting Exclusion

In accordance with Listing Rule 7.3.8, any votes cast on Resolution 2 by or on behalf of a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of Shares, if Resolution 2 is passed, or any of the respective associates of such persons, will be disregarded.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

3. RESOLUTION 3 – APPROVAL TO ISSUE SHARES

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

“That for the purpose of Listing Rule 7.1 of the Listing Rules of the ASX and for all other purposes the Company be authorised to issue up to 70,000,000 fully paid ordinary Shares at an issue price of not less than 80 per cent of the average market price of the fully paid ordinary Shares of the Company where the average market price is calculated over the last 5 days on which sales in the Company’s Shares were recorded before the day on which the issue is made and otherwise on the terms and conditions as set out in the Explanatory Statement.”

Voting Exclusion

In accordance with Listing Rule 7.3.8, any votes cast on Resolution 3 by or on behalf of a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of Shares, if Resolution 3 is passed, or any of the respective associates of such persons, will be disregarded.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

“Snap-Shot” Time

The Corporations Act permits the Company to 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 5.00 pm WST, 8th September 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.

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 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.

DATED: 9th August 2010

BY ORDER OF THE BOARD

Alan Thomas
Company Secretary
Fairstar Resources Limited

EXPLANATORY STATEMENT

This Explanatory Statement is an important document. You should read the document. If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice of Meeting, you should contact your stockbroker or other professional adviser.

General Information.

This Explanatory Statement has been prepared for the information of Shareholders of Fairstar Resources in connection with the business to be conducted at the Extraordinary General Meeting to be held at the Hyatt Hotel, 99 Adelaide Terrace, Perth, Western Australia on the date set out in the notice of meeting.

The purpose of this Explanatory Statement is to provide Shareholders with information which is reasonably required by Shareholders to decide how to vote upon the resolution. This Explanatory Statement should be read in conjunction with the accompanying Notice of Extraordinary General Meeting.

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.

RESOLUTION 1 – SUBSEQUENT APPROVAL OF SECURITIES

Proposed subsequent shareholder approval

Listing Rule 7.1 imposes a 15% cap on the number of new securities that a company can issue over any 12 month period without shareholder approval. ASX Listing Rule 7.4 allows a company to seek the subsequent approval of shareholders for an issue of securities. Shareholder approval of securities issued under the Placement refreshes the Company's 15% annual capacity to raise additional capital without the need to obtain shareholder approval. This provides additional funding flexibility for the Company.

Effect of the proposal

If Resolution 1 is approved, the Company will not have to count the securities issued under the Placement towards the 15% limit of securities that may be issued by the Company in any 12 month period under Listing Rule 7.1. Accordingly, if Resolution 1 is passed, the Company's annual capacity to issue capital within the 15% limit under Listing Rule 7.1 (in respect of the Placement, being 63,083,588 Shares) will be refreshed. The Directors of the Company consider it prudent to maintain such funding flexibility as part of the Company's capital management strategy.

If Resolution 1 is not approved, it will have no effect upon the 63,083,588 Shares issued or agreed to be issued. Those Shares have already been either issued and quoted on the ASX or the Company has agreed to issue the Shares. However the Shares would be counted towards the 15% of additional securities that may be issued by the Company in any twelve month period under Listing Rule 7.1. The Shares which have been issued were issued to the following:

Allottee	No of Shares	Issue price
MFCM Nominee Services Pty Ltd	2,431,946	0.062
Gurney Capital Nominees Pty Ltd	2,287,266	0.066
Gurney Capital Nominees Pty Ltd	3,000,000	0.050
Gurney Capital Nominees Pty Ltd	3,635,382	0.041
Goldlaw Pty Ltd	1,003,994	0.061
Sheldon Coates	6,250,000	0.080
Alan Rudd	5,300,000	--
Peter Gianni and nominee	5,300,000	--
Mate Barac	625,000	0.040
Nominees of Denarda Holdings Pty Ltd	2,400,000	0.032
TOTAL No OF SHARES	30,233,588	

The Company has entered into various convertible notes with a number of persons whereby the holders of the convertible notes have the right to convert their debt to equity in the Company with the Company issuing Shares at the rate of 1 fully paid ordinary Share for each 10 cents of debt. The convertible notes are able to be converted at any time up to 1 April 2011.

Details of the holders of the convertible notes and the maximum number of Shares which may be issued to the respective holders on conversion is set out as follows:

Allottee	No of Shares	Issue price
Robert and Glenn Anderson	500,000	0.10
Peter Samuel Henry Brady	5,000,000	0.10
Heshill Pty Ltd	1,000,000	0.10
Simon Robert Evans	500,000	0.10
Kim Buswell	500,000	0.10
The Rob Krikke Family Trust	500,000	0.10
Brittania Nominees Pty Ltd	1,000,000	0.10
Gary Lyons and Susan Paige Lyons	500,000	0.10
Philip David and Coral Anne Jones	1,000,000	0.10
Hazardous Investments Pty Ltd	500,000	0.10
Fay Louise Christoffelsz	350,000	0.10
PCB Holdings Pty Ltd	5,000,000	0.10
Robert Anderson and Glenn Anderson	500,000	0.10
Ronald Kevin Krikke	500,000	0.10
John Krikke	500,000	0.10
Brian Manning	1,000,000	0.10
Pedley and Co	3,000,000	0.10
Harry Arialdo Capararo and Matilde Maria Capararo	500,000	0.10

William John Marriott	500,000	0.10
Biga Nominees Pty Ltd	2,000,000	0.10
Delphin Investments Ltd	3,000,000	0.10
Joel Terrace Pty Ltd	1,000,000	0.10
Kelvin Park Pty Ltd	2,000,000	0.10
TOTAL No OF SHARES	30,850,000	

Use of funds raised

The funds raised from the Placement were used for exploration expenses and general working capital purposes, with the exception of shares issued to A Rudd and P Gianni. These were issued as consideration for variation of royalty terms relating to tenement E28/1672.

The Shares were issued on the same terms and conditions as the Company's existing ordinary Shares.

Recommendation

In order to ensure that the Company has adequate funding flexibility, the Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

RESOLUTION 2 – APPROVAL TO ISSUE OPTIONS

Background for Resolution 2

Proposed subsequent shareholder approval

Listing Rule 7.1 imposes a 15% cap on the number of new securities that a company can issue over any 12 month period without shareholder approval. Listing Rule 7.1 allows a company to seek the approval of shareholders to an issue of securities which would exceed the 15% annual cap prescribed by it. The Company is under an obligation to issue the Options and will do so from its placement capacity once it is in a position to do so, even if this Resolution is not passed.

The Options are to be issued on the terms and conditions set out as Annexure "A".

Effect of proposal

If Resolution 2 is approved, the Company will issue 10,000,000 Options to Raymore Millard. The sum of \$10,000.00 will be raised through the issue of the Options. The funds raised will be used for general working capital purposes.

For the purposes of Listing Rule 7.3 the Company provides the following information:

- (a) the maximum number of securities to be issued is 10,000,000 Options;
- (b) the Options will be issued within 3 months of the date of this meeting;
- (c) the issue price of the Options is 0.01 cents per Option;
- (d) the Options will be issued to Raymore Millard;
- (e) the terms of the Options are as set out in Annexure "A";
- (f) the amount raised from the issue of the Options is \$10,000.00, which sum will be used for general working capital of the Company.

Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

RESOLUTION 3 – APPROVAL TO ISSUE SHARES**Background for Resolution 3****Proposed subsequent shareholder approval**

Listing Rule 7.1 imposes a 15% cap on the number of new securities that a company can issue over any 12 month period without shareholder approval. Listing Rule 7.1 allows a company to seek the approval of shareholders to an issue of securities which would exceed the 15% annual cap prescribed by it.

To give the Company flexibility and the capacity to issue Shares within 3 months of the date of this meeting, the Company seeks approval of shareholders to enable up to 70,000,000 fully paid ordinary Shares to be issued at not less than 80 per cent of the market price of the Company's Shares calculated over the last 5 days on which sales in the Shares were recorded before the day on which the issue is made.

The Company has not identified any allottees of the proposed Shares and does not have any arrangements in place to issue the Shares.

Effect of proposal

If Resolution 3 is approved, the Company will issue up to 70,000,000 fully paid ordinary Shares to various allottees. The funds raised will be used for general working capital purposes to assist in the development of the Company's Steeple Hill Iron Project.

For the purposes of Listing Rule 7.3 the Company provides the following information:

- (a) the maximum number of securities to be issued is 70,000,000 fully paid Shares;
- (b) the Shares will be issued within 3 months of the date of this meeting;
- (c) the issue price of the Shares is to be not less than 80 per cent of the market price of the Company's Shares calculated over the last 5 days on which sales in the Shares were recorded before the day on which the issue is made;
- (d) the Shares will be issued to various allottees who are yet to be determined;
- (e) these Shares will be issued on the same terms and conditions as the Company's existing ordinary Shares;
- (f) the amount raised from the issue of the Shares is not able to be determined at this time, however the amount raised will be used for general working capital of the Company, including the advancement of the Company's Steeple Hill Iron Project.

Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

In this Notice of Meeting and Explanatory Statement, the following terms have the following unless the context otherwise requires:

DEFINITIONS

“**ASIC**” means the Australian Securities & Investments Commission;

“**ASX**” means Australian Securities Exchange Limited (I 008 624 691);

“**Board**” means the Directors of the Company from time to time;

“**Business Day**” has the meaning ascribed to that term by the Listing Rules;

“**Company**” means Fairstar Resources Limited (ACN 115 157 689);

“**Directors**” means each of the persons who acts as directors of the Company;

“**Listing Rules**” means the official listing rules of ASX;

“**Meeting**” and “**Shareholders’ Meeting**” means the meeting of Shareholders convened by the Notice;

“**Notice**” means the notice of meeting to which this Explanatory Statement is attached;

“**Placement**” means the Shares issued by the Company to various allottees the subject of Resolution 1;

“**Shares**” means ordinary fully paid Shares in the capital of the Company and “**Shareholders**” has a corresponding meaning;

NOTES

A shareholder who is entitled to attend and vote at a meeting of shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the company.

Where a voting exclusion applies, 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 of the proxy form or it is cast by a person chairing the meeting as proxy for person who is entitled to vote in accordance with the direction of the proxy form to vote as the proxy decides. The directors of the company have set a snapshot date to determine the identity of those entitled to attend and vote at the meeting. The snapshot date is stated above.

A proxy form is attached. If required, it should be completed, signed and returned in accordance with the proxy instructions on that form. To be effective, the proxy form (and any power of attorney) must be lodged at the registered office of the company not less than 48 hours before the time of holding the meeting. The proxy may be lodged by facsimile transmission to Advanced Share Registry Services facsimile number:- (08) 9389 7871.

ANNEXURE "A"

TERMS AND CONDITIONS OF OPTIONS EXPIRING 29th August 2011 (AMOUNT PAYABLE: 10 CENTS)

1. Entitlement
Each Option shall entitle the holder the right to subscribe (in cash) for one (1) Share in the capital of the Company.
2. Option Period
Each Option will expire at 5.00pm WST on 29th August 2011 (such date being referred to as the "Option Expiry Date"). Each Option may be exercised at any time prior to the Option Expiry Date in accordance with the notice provisions set out below and any Option not so exercised shall automatically expire on the Option Expiry Date.
3. Ranking of Share Allotted on Exercise of Option
Each Share allotted as a result of the exercise of an Option will, subject to the Constitution of the Company, rank in all respects pari passu with the existing Shares in the capital of the Company on issue at the date of allotment.
4. Voting
A registered owner of an Option (herein referred to as an "Option Holder") will not be entitled to attend or vote at any meeting of the members of the Company unless they are, in addition to being Option Holder, members of the Company.
5. Transfer of an Option
Each Option is transferable at any time prior to the Option Expiry Date. This right is subject to any restrictions on the transfer of an Option that may be imposed by the ASX in circumstances where the Company is listed on ASX.
6. Method of Exercise of an Option
 - a. The Company will provide to each Option Holder a notice that is to be completed when exercising the Options (herein such notice being called a "Notice of Exercise of Options"). Options may be exercised by the Option Holder completing the Notice of Exercise of Options and forwarding the same to the Secretary of the Company to be received prior to the Option Expiry Date. The Notice of Exercise of Options must state the number of Options exercised and the consequent number of Shares in the capital of the Company to be allotted; which number of Options must be a multiple of 10,000 if only part of the Option Holders total Options are exercised, or if the total number of Options held by an Option Holder is less than 10,000, then the total of all Options held by that Option Holder must be exercised.
 - b. The Notice of Exercise of Options by an Option Holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of 10 cents (\$0.10) per Share.
 - c. Subject to Clause 7 hereof, the exercise of less than all of an Option Holders Options will not prevent the Option Holder from exercising the whole or any part of the balance of the Option Holders entitlement under the Option Holders remaining Options.
 - d. Within 14 days from the date the Option Holder properly exercises Options held by the Option Holder, the Company shall issue and allot to the Option Holder that number of Shares in the capital of the Company so subscribed for by the Option Holder.
 - e. If the Company is listed on the ASX, the Company will within seven (7) days from the date of issue and allotment of Shares pursuant to the exercise of an Option, apply to the ASX for, and use its best endeavours to obtain, Official Quotation of all such Shares, in accordance with the Corporations Act and the Listing Rules.
 - f. The Company will generally comply with the requirements of the Listing Rules in relation to the timetables imposed when quoted Options are due to expire. Where there shall be any inconsistency between the timetables outlined herein regarding the expiry of the Options and the timetable outlined in the Listing Rules, the timetable outlined in the Listing Rules shall apply.

7. **Reconstruction**
In the event of a reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital, at the time of the reconstruction.
8. **Participation in New Share Issues**
There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its Shareholders from time to time prior to the Option Expiry Date unless and until the Options are exercised. The Company will ensure that during the exercise period of the Options, the Record Date for the purposes of determining Entitlements to any new such issue, will be at least 9 Business Days after such new issues are announced (or such other date if required under the Listing Rules) in order to afford the Option Holder an opportunity to exercise the Options held by the Option Holder.
9. **Change of Options' Exercise Price or Number of Underlying Shares.**
There are no rights to change the exercise price or the number of underlying Shares if there is a pro-rata issue or bonus issue to the holders of Shares.

FAIRSTAR RESOURCES LTD
ACN 115 157 689

Lodge your vote:

 **By Mail:**

Advanced Share Registry Ltd
PO Box 1156, Nedlands
Western Australia 6909

Alternatively you can fax your form to
Facsimile: (61 8) 9389 7871
www.advancedshare.com.au

For all enquiries call:

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

Proxy Form

Instructions

1. Every shareholder has the right to appoint some other person or company of their choice, who need not be a shareholder, to attend and act on their behalf at the meeting. If you wish to appoint a person or company other than the Chairman, please insert the name of your proxyholder(s) the space provided (see reverse).
2. If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc), then all those registered should sign this proxy. If you are voting on behalf of a corporation or another individual you may be required to provide documentation evidencing your power to sign this proxy with signing capacity stated.
3. This proxy should be signed in the exact manner as the name appears on the proxy.
4. If a shareholder appoints two proxies, each proxy may be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
5. Completion of a proxy form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
6. To be effective, shareholders must deliver their proxies prior to 2.00pm (Perth time) on 08 September 2010 by mail to Advanced Share Registry, PO Box 1156, Nedlands, WA 6909 or by facsimile at : (61 8) 9389 7871 or deliver to the registered office of the Company at Unit 3 & 4, 136 Main Street, Osborne Park, WA, 6017.
7. For the purposes of Regulation 7.11.37 of the Corporations Regulations the Company determines that shareholders holding shares at 2.00pm (Perth time) on Wednesday, 08 September 2010 will be entitled to attend and vote at the Meeting.
8. The Chairman intends to vote in favour of all resolutions set out in the Notice of Meeting.
9. This proxy should be read in conjunction with the accompanying Notice of Meeting, Explanatory Statement and Independent Expert's Report.
10. The shares represented by this proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any poll that may be called for, and if the shareholder has specified a choice in respect of any matter to be acted upon, the shares will be voted accordingly.

Turn over to complete the form →



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

- Check all holdings by using HIN/SRN
- Update your holding details
- Reprint various documents online

FAIRSTAR RESOURCES LTD
ACN 115 157 689

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

Form of Proxy

Please mark to indicate your directions

STEP 1 **Appoint a Proxy to Vote on Your Behalf**

PLEASE NOTE: This proxy is solicited on behalf of the management of FairStar Resources Ltd ACN 115 157 689 (the "Company") for use at the meeting of the shareholders of the Company to be held at the Hyatt Hotel, 99 Adelaide Terrace, Perth WA, on 10 September 2010 at 2.00pm (Perth time) or any adjournment thereof (the "Meeting").

I/We being a member/s of FairStar Resources Ltd hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions at the Meeting and at any adjournment of that meeting.

If the Chair of the Meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box. By marking this box, you acknowledge that the Chair of the Meeting may exercise your proxy even if he has an interest in the outcome of the resolutions and votes cast by the Chair 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, then the Chair will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution. The Chair intends to vote 100% of all open proxies in favour of each resolution.

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

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

STEP 2 **Items of Business**

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

If you wish to indicate how your proxy is to vote, please tick the appropriate places below.

FOR AGAINST ABSTAIN*

	FOR	AGAINST	ABSTAIN*
Resolution 1 - Subsequent approval of securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 - Approval to issue options.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 - Approval to issue shares.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

SIGN **Signing by member**

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

Individual or Member 1	Member 2 (if joint holding)	Member 3 (if joint holding)	
<input type="text"/>	<input type="text"/>	<input type="text"/>	/ /
Sole Director and Sole Secretary	Director/Company Secretary	Director	Date