

**ROYAL RESOURCES LIMITED**

**ABN 34 108 102 432**

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**NOTICE OF ANNUAL GENERAL MEETING**

**EXPLANATORY MEMORANDUM**

**AND**

**PROXY FORM**

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**Date of Meeting**

Thursday, 30 November 2006

**Time of Meeting**

10.00 am

Western Standard Time

**Place of Meeting**

Mindarie Room

Amberley Business Centre

Level 3, IBM Building

1060 Hay Street, West Perth

Western Australia

**ROYAL RESOURCES LIMITED**  
**ABN 34 108 102 432**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the shareholders of Royal Resources Limited ABN 34 108 102 432 ("**Company**") will be held at Mindarie Room, Amberley Business Centre, Level 3, IBM Building, 1060 Hay Street, West Perth, Western Australia on Thursday, 30 November 2006 at 10.00 am Western Standard Time for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

**AGENDA**

**BUSINESS**

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of Meeting.

Please note terms used in the resolutions contained in this Notice of Annual General Meeting have the same meaning as set out in the glossary of the Explanatory Memorandum accompanying this Notice.

**Financial Reports**

To receive and consider and adopt the annual financial statements of the Company for the year ended 30 June 2006, including the Statement of Financial Performance, the Statement of Financial Position, the Statement of Cash Flows, the Directors' Report, the Directors' Declaration and the Auditors' Report.

**Resolution 1 – Adoption of Remuneration Report**

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

*"That, pursuant to and in accordance with section 250R(2) of the Corporations Act, the Remuneration Report as contained within the Directors' Report be adopted."*

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

**Resolution 2 – Re-election of Brian Dudley Richardson as a Director**

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

*"That Brian Dudley Richardson, being a Director, retiring by rotation in accordance with Rule 13.2 of the Company's constitution, and, being eligible, is re-elected as a Director."*

**Resolution 3 – Re-election of Philip George Crabb as a Director**

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

*"That Philip George Crabb, being a Director appointed in accordance with Rule 13.5 of the Company's constitution and, being eligible, is re-elected as a Director."*

**Resolution 4 – Re-election of Malcolm Roger Joseph Randall as a Director**

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

*"That Malcolm Roger Joseph Randall, being a Director appointed in accordance with Rule 13.5 of the Company's constitution and, being eligible, is re-elected as a Director."*

**Resolution 5 – Approval to Grant Options to a Director – Malcolm Roger Joseph Randall**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purpose of section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes, the Company approves and authorises the Directors to grant to Mr Malcolm Randall (or his nominee or nominees) 800,000 Options on the terms and conditions set out in Annexure A to the Explanatory Memorandum accompanying this Notice of Annual General Meeting."*

The Company will in accordance with section 224 of the Corporations Act 2001 (Commonwealth of Australia) disregard any votes cast on this Resolution 5 by Mr Malcolm Randall and any associate of Mr Malcolm Randall. 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.

**By order of the Board**



**Frank DeMarte**  
Company Secretary

Dated: 30 October 2006

## PROXIES

- Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
- A shareholder entitled to attend and vote at the above meeting may appoint a proxy to attend and vote at this meeting, and a shareholder who is entitled to cast two or more votes at the above meeting may appoint 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 such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
- A proxy may, but need not be a shareholder of the Company.
- The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorising in writing or, if such appointor is a corporation, either under seal or under hand of a duly authorised officer, or officers (as the case may be) or attorney.
- The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and must reach the Registered Office of the Company at least 48 hours prior to the Annual General Meeting. For the convenience of shareholders a Proxy Form is enclosed.

For the purposes of regulation 7.11.37 of the Corporations Regulations, the Company determines that members holding ordinary shares at 5.00pm Western Standard Time on 28 November 2006 will be entitled to attend and vote at the Annual General Meeting.

**ROYAL RESOURCES LIMITED**  
**ABN 34 108 102 432**

**EXPLANATORY MEMORANDUM**

This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of the resolutions contained in the accompanying Notice.

The Directors recommend shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Capitalised terms used in this Explanatory Memorandum are defined in the Glossary appearing at the end of this Explanatory Memorandum.

The following information should be noted in respect of the various matters contained in the accompanying Notice:

**Financial Reports**

Appropriate time will be devoted to the consideration of the financial statements and reports of the Company for the year ended 30 June 2006 at the Annual General Meeting.

**RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

Section 298 of the Corporations Act requires that the annual directors' report contains a remuneration report prepared in accordance with section 300A of the Corporations Act ("**Remuneration Report**").

By way of summary, the Remuneration Report:

- (a) discusses the Company's policy and the process for determining the remuneration of its executive officers and employees;
- (b) addresses the relationship between the remuneration of the Company's executive officers and the performance of the Company; and
- (c) sets out remuneration details for each Director and each of the executive officers of the Company named in the Remuneration Report for the financial year ended 30 June 2006.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. Pursuant to section 250R(3), the vote on this resolution is advisory only and does not bind the Directors or the Company.

The Directors are submitting the Remuneration Report to shareholders for consideration and adoption by way of a non-binding resolution.

The Remuneration Report is set out in the Directors' Report section of the Company's 2006 Annual Financial Report.

The Directors recommend that shareholders vote in favour of Resolution 1.

Appropriate time will be devoted to the consideration of the Remuneration Report at the Annual General Meeting.

**RESOLUTION 2- RE-ELECTION OF BRIAN DUDLEY RICHARDSON AS A DIRECTOR**

Rule 13.2 of the Company's constitution provides that at every Annual General Meeting one third of the Directors shall retire from office. A retiring Director is eligible for re-election.

Pursuant to clause 13.2 of the Company's constitution, Brian Richardson, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

### **RESOLUTION 3 – RE-ELECTION OF PHILIP GEORGE CRABB AS A DIRECTOR**

Mr Crabb was appointed as an additional Director on 28 November 2005.

Rule 13.5 of the Company's constitution provides that the Directors may at any time appoint a person to be a Director as an addition to the existing Directors, however any Director so appointed holds office only until the next following Annual General Meeting where he is then eligible for re-election.

Pursuant to Rule 13.5 of the Company's constitution, Philip Crabb, being eligible, offers himself for re-election as a Director.

### **RESOLUTION 4 – RE-ELECTION OF MALCOLM ROGER JOSEPH RANDALL AS A DIRECTOR**

Mr Randall was appointed as an additional Director on 4 October 2006.

Mr Randall has extensive experience in corporate management and marketing in the resources industry, including more than 20 years with the Rio Tinto group of companies. His experience extends over a broad range of commodities, including iron ore, diamonds, base metals, coal, uranium and industrial minerals both in Australia and internationally.

His previous directorships have included ASX and AIM listed Consolidated Minerals and Titan Resources Ltd. He is currently on the boards of United Kimberley Diamonds NL, Thundelarra Exploration Ltd, Olympia Resources Limited and is Chairman of Iron Ore Holdings Ltd. Mr Randall holds a Bachelor of Applied Chemistry degree from Melbourne, is a member of the Australian Institute of Company Directors.

Rule 13.5 of the Company's constitution provides that the Directors may at any time appoint a person to be a Director as an addition to the existing Directors, however any Director so appointed holds office only until the next following Annual General Meeting where he is then eligible for re-election.

Pursuant to Rule 13.5 of the Company's constitution, Malcolm Randall, being eligible, offers himself for re-election as a Director.

### **RESOLUTION 5 – APPROVAL TO GRANT OPTIONS TO MALCOLM ROGER JOSEPH RANDALL**

The Company proposes to issue a total of 800,000 Options to Malcolm Randall. The Options have an exercise price of 20 cents and have an expiry date of 31 January 2011.

The grant of Options is designed to encourage the recipient to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through share ownership.

Under the Company's current circumstances, it is considered that the incentives to Malcolm Randall by the grant of these Options are a cost effective and efficient reward and incentive for the Company, as opposed to alternative forms of incentive, such as the payment of cash compensation. The Directors consider that it is better for the Company that Mr Malcolm Randall be rewarded by way of securities in the Company, rather than by way of cash.

The number of Options to be granted to Mr Malcolm Randall has been determined based upon the Directors' wish to ensure that the Company can attract, motivate and retain highly skilled directors. The Directors must ensure that the remuneration offered will motivate directors to pursue long term growth and success of the Company and the remuneration must be competitive with market standards.

The Directors (other than Mr Malcolm Randall) have generally reviewed and considered Mr Malcolm Randall's experience, the investment of his time, his current remuneration package, the current market price of the Company's shares and the current market practice of comparable companies when determining the number and exercise price of the Options to be issued to Mr Malcolm Randall.

In the event the Options are exercised, the amount of \$160,000 will need to be paid to the Company by Malcolm Randall.

### **Related Party Transactions Generally**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a *related party* of the public company *unless* either:

1. the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
2. shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E, Malcolm Randall is considered to be a related party of the Company.

Resolution 5 provides for the grant of Options to Malcolm Randall which is a financial benefit which requires shareholder approval.

### **Current Holdings**

Set out below are details of each of Malcolm Randall's relevant interest in the securities of the Company as at the date of this Notice:

<b>Director</b>	<b>Associates</b>	<b>Number of Shares</b>	<b>Number of Options</b>
Malcolm Randall <sup>Note 1</sup>	Renique Holdings Pty Ltd (Randall Super Fund a/c)	200,000	121,350

**Note 1:** Malcolm Randall, together with his wife, Carol Randall, control Renique Holdings Pty Ltd and are beneficiaries of the Randall Superannuation Fund account

### **INFORMATION REQUIREMENTS**

For the purposes of Chapter 2E of the Corporations Act the following information is provided.

***The related party to whom the proposed resolution would permit the financial benefit to be given:***

Subject to shareholder approval, 800,000 Options will be granted to Malcolm Randall or his nominee(s).

***The nature of the financial benefit***

The proposed financial benefit to be given is the grant of Options for no consideration to Malcolm Randall as noted above. The terms and conditions of the Options to be granted to Malcolm Randall are set out in Annexure A to this Explanatory Memorandum.

### ***Directors' recommendation***

All the Directors are available to make a recommendation.

For the reasons noted above:

Messrs Brian Richardson, Frank DeMarte, Rick Crabb and Philip Crabb (who have no interest in the outcome of Resolution 5) recommend that shareholders vote in favour of Resolution 5. Mr Malcolm Randall declines to make a recommendation about Resolution 5 as he has a material personal interest in the outcome of that particular resolution as it relates to the proposed grant of Options to him or his nominee(s).

Shareholders should note that for the reasons noted above and below, it is proposed to grant Options to Mr Randall, a non-executive Director, notwithstanding Guideline 9.3 of the ASX Corporate Governance Council Principles of Good Corporate Governance and Best Practice Recommendations which guideline provides that non-executive directors should not receive options.

***Other information that is reasonably required by members to make a decision and that is known to the Company or any of its Directors.***

The proposed ordinary Resolution 5 would have the effect of giving power to the Directors to grant a total of 800,000 Options on the terms and conditions as set out in Annexure A to this Explanatory Memorandum and as otherwise mentioned above.

Presently, the Company has 50,071,198 listed Shares on issue of which 2,500,000 Shares are under ASX-imposed escrow until 31 January 2007, 6,534,659 Shares are under ASX-imposed escrow until 6 April 2008 and 1,950,000 Shares are under voluntary escrow until 6 April 2007. Further, the Company has following listed options on issue:

<b>Number</b>	<b>Exercise Price</b>	<b>Class</b>
20,114,406	20 cents	Options expiring 11 November 2007
23,909,406	20 cents	Options expiring 11 July 2009

The Company also has 4,000,000 unlisted Options on issue exercisable at 20 cents each, expiring on 31 January 2011 and which are under ASX-imposed escrow until 6 April 2008.

If all Options granted as proposed above are exercised, and no other Options are exercised, the effect would be to dilute the shareholding of existing shareholders by 1.57%. The market price of the Company's Shares during the period of the Options will normally determine whether or not option holders exercise the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Options.

The Options will not be quoted on ASX and as such have no actual market value.

Malcolm Randall's Director's fees and the total financial benefit to be received by him in this current period as a result of the grant of Options the subject of Resolution 5 are as follows:

<b>Director</b>	<b>Fee p.a. (\$)</b>	<b>Value of Options * (\$)</b>	<b>Total Financial Benefit (\$)</b>
Malcolm Randall	35,000	56,800	91,800

\*utilising a 75% volatility factor discussed in further detail below

The above range of valuations is based on the share price movements of the Company since it was listed on 6 April 2006. A further valuation will be undertaken at the date of the actual grant of the options to Malcolm Randall or his nominee.

### **Valuation of Options**

The Company's advisers have valued the Options to be granted to Malcolm Randall using the Black-Scholes Option Pricing Model ("BSModel"), which is the most widely used and recognised model for pricing options. The acceptance of this model is due to its derivation being grounded in economic theory. The value of an option calculated by the BSModel is a function of a number of variables. Their assessment of the value of the Options has been prepared using the following assumptions:

<b>Variable</b>	<b>Input</b>
Share price	17.5 cents
Exercise price	20 cents
Risk Free Interest Rate	5.8%
Volatility 1	75%
Volatility 2	100%
Expiry Date	31 January 2011
Discount <sup>Note 1</sup>	30%
Date of Valuation <sup>Note 2</sup>	5 October 2006

Note 1 A discount of 30% has been applied to reflect the fact that the Options are not to be listed and therefore have a lower liquidity factor. Our advisers consider that it is not uncommon to have discounts of between 20% and 50% to reflect the unlisted status.

Note 2 The Options will, for A-IFRS purposes, need to be valued as at 30 November 2006 (close of business) following shareholder approval.

Based on the above assumptions, the theoretical value of one of the Options (after applying a 30% discount for the non listed status of the Options) approximates 7.10 cents (10.15 cents prior to applying a discount for the non listed status of the Options). If a 100% volatility factor was used the discounted value would approximate 8.69 cents per Option.

Any change in the variables applied in the Black and Scholes calculation between the date of the valuation and the date the Options are granted would have an impact on their value.

### ***Other Information***

Under the Australian Equivalent of IFRS, the Company is required to expense the value of the Options in its statement of financial performance for the current financial year. Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Options pursuant to Resolution 5.

Neither the Directors nor the Company are aware of other information that would be reasonably required by shareholders to make a decision in relation to the financial benefits contemplated by the proposed Resolution.

### ***Listing Rule 10.11***

Listing Rule 10.11 requires shareholder approval by ordinary resolution to any issue by a listed company of securities to a related party. Accordingly, Listing Rule 10.11 requires shareholders to approve the grant of Options to Malcolm Randall.

### ***Additional Information***

The following information is provided to shareholders for the purposes of Listing Rule 10.13:

- (a) the Options will be granted to Malcolm Randall, who is a non-executive director, or his nominee(s);
- (b) the maximum number of Options to be granted is 800,000;
- (c) the Options will be allotted and granted on a date which will be no later than 1 month after the date of this Annual General Meeting, or such later date as approved by ASX;
- (d) the Options will be granted for no consideration;

- (e) no funds will be raised by the grant of the Options; and
- (f) the terms and conditions of the Options are set out in Annexure A to this Explanatory Memorandum.

If approval is given for the grant of the Options under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

## **GLOSSARY**

The following terms have the following meanings in this Explanatory Memorandum:

"**Annual General Meeting**" means the annual general meeting of the Company;

"**ASX**" means the Australian Stock Exchange Limited;

"**Company**" means Royal Resources Limited ABN 34 108 102 432;

"**Corporations Act**" means Corporations Act 2001 (Cth);

"**Director**" means a director of the Company, and "**Directors**" has an equivalent meaning;

"**Listing Rules**" means the Listing Rules of the ASX;

"**Notice**" means the Notice of Annual General Meeting accompanying this Explanatory Memorandum;

"**Option**" means an option to acquire a Share, the terms and conditions of which are set out in Annexure A to the Explanatory Memorandum accompanying this Notice of Annual General Meeting; and

"**Share**" means a fully paid ordinary share in the capital of the Company.

## ANNEXURE A

### TERMS AND CONDITIONS OF OPTIONS

The terms and conditions of the Options are as follows:

- (a) The Options shall expire on 31 January 2011 (“Expiry Date”).
- (b) Each Option shall confer the right to subscribe for one fully paid ordinary share, ranking pari passu with existing fully paid ordinary shares, in the capital of the Company.
- (c) The Options shall be exercisable by notice in writing to the Company received at any time on or before the Expiry Date, however the fully paid ordinary shares will be allotted not more than fifteen days after (but not including) the exercise date.
- (d) The Options may be exercised in whole or in part. If the Options are exercised in part each notice of exercise must be for not less than 1,000 shares and in multiples of 1,000 shares.
- (e) The exercise price for each Option shall be \$0.20.
- (f) The Options may not be transferred within the first 12 months in whole or part.
- (g) A certificate will be issued for the Options. On the reverse side of the certificate there will be endorsed a statement of the rights of the optionholder and a notice that is to be completed when exercising the Options. If there is no more than one Option comprised in this certificate and prior to the Expiry Date those Options are exercised in part, the Company will issue another certificate for the balance of the Options held and not yet exercised.
- (h) The optionholder will not be permitted to participate in any new pro rata entitlement issues of securities of the Company.
- (i) In the event of a reorganisation of the issued capital of the Company, the Options will be reorganised in accordance with the Listing Rules.
- (j) The Options will not give any right to participate in dividends until shares are allotted pursuant to the exercise of the relevant Options.
- (k) There is no right to change the exercise price of the Options nor the number of underlying shares over which the Options can be exercised, if the Company completes a bonus or entitlements issue.

ABN: 34 108 102 432

Mark this box with an 'X' if you have made any changes to your address details (see reverse)

# Proxy Form

**All correspondence to:**

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia  
Enquiries (within Australia) 1300 850 505  
(outside Australia) 61 3 9415 4000  
Facsimile 61 3 9473 2555  
www.computershare.com



000001  
000  
ROY  
MR JOHN SMITH 1  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)



I 1234567890 I ND

## Appointment of Proxy

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



the Chairman  
of the Meeting  
(mark with an 'X')

OR

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 to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Royal Resources Limited to be held at Mindarie Room, Amberley Business Centre, Level 3, IBM Building, 1060 Hay Street, West Perth WA 6005 on Thursday, 30 November 2006 at 10:00am WST and at any adjournment of that meeting.

## Voting directions to your proxy - please mark to indicate your directions

		For	Against	Abstain*
1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Brian Dudley Richardson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Re-election of Philip George Crabb as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Re-election of Malcolm Roger Joseph Randall as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Approval to Grant Options to a Director - Malcolm Roger Joseph Randall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item 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.

## Appointing a second Proxy

I/We wish to appoint a second proxy



Mark with an 'X' if you wish to appoint a second proxy.

AND

 %

OR

State the percentage of your voting rights or the number of securities for this Proxy Form.

**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

Individual/Sole Director and  
Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

In addition to signing the Proxy form in the above box(es) please provide the information below in case we need to contact you.

Contact Name

Contact Daytime Telephone

Date

/ /



# How to complete the Proxy Form

## 1 Your Address

This is your address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

## 2 Appointment of a Proxy

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

## 3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three 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.

## 4 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 share registry or you may copy this form.

To appoint a second proxy you must:

- (a) indicate that you wish to appoint a second proxy by marking the box.
- (b) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or 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.
- (c) return both forms together in the same envelope.

## 5 Signing Instructions

You must sign this form as follows in the spaces provided:

- Individual: where the holding is in one name, the holder must sign.
- Joint Holding: where the holding is in more than one name, all of the securityholders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry or at [www.computershare.com](http://www.computershare.com).

## 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 no later than 48 hours before the commencement of the meeting at 10:00am WST on Thursday, 30 November 2006. Any Proxy Form received after that time will not be valid for the scheduled meeting.

### Documents may be lodged:

IN PERSON Registered Office - Level 3, IBM Building , 1060 Hay Street, WEST PERTH WA 6005 AUSTRALIA

BY MAIL PO Box 7363, Cloisters Square, Perth WA 6850

BY FAX 61 8 9321 9670