

RIFT VALLEY RESOURCES LIMITED

**NOTICE OF ANNUAL GENERAL MEETING
AND
EXPLANATORY STATEMENT**

**For the Annual General Meeting to be held on
Thursday 20 November 2014 at 10am (WST) at
Ground Floor, 10 Outram Street, West Perth WA 6005, Australia**

As this is an important document, please read it carefully.

**For those members who have elected to receive a printed copy of the Annual Report, the
2014 Annual Report accompanies this Notice of Annual General Meeting.**

**The 2014 Annual Report is also available on the Company's website at
www.riftvalleyresources.com.au**

*If you are unable to attend the Annual General Meeting, please complete
the proxy form enclosed and return it in accordance with the
instructions set out on that form.*

TIME AND PLACE OF MEETING AND HOW TO VOTE

Venue

The Annual General Meeting of the Shareholders of Rift Valley Resources Limited ("Rift Valley" or the "Company") will be held at:

Ground Floor, 10 Outram Street

West Perth, Western Australia, AUSTRALIA

Commencing at 10am (WST) on Thursday, 20 November 2014

How to Vote

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

Voting in Person

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

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- send the proxy by facsimile to the Company on facsimile number (08) 922 100 95 (International + 61 8 922 100 95); or
- deliver the proxy in person to the Company at Level 2, 23 Barrack Street, Perth, WA 6000; or
- mail the proxy to the Company at PO Box 1321, Fremantle WA 6959; so it is received not later than 10am (WST) on Tuesday 18 November 2014.

Your proxy form is enclosed.

Corporate Representative

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

NOTES:

1. A Shareholder who is entitled to attend and vote at a general 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.
2. 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 on the proxy form to vote as the proxy decides 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. For the purposes of the Corporations Act, the Directors have set a snapshot time and date to determine the identity of those entitled to attend and vote at the Annual General Meeting. The snapshot time and date is 10am (WST) on Tuesday 18 November 2014.

Questions from Shareholders

At the Annual General Meeting the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.

Mr Russell Curtin of Ernst & Young, as the auditor responsible for preparing the auditor's report for the period ended 30 June 2014 (or his representative) will attend the Annual General Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have in writing no later than **10am (WST) on Thursday, 13 November 2014:**

In person: Registered Office - Level 2, 23 Barrack Street, Perth WA 6000, Australia

By mail: PO Box 1321, Fremantle WA 6959, Australia

By fax: (08) 922 100 95 (International: + 61 8 922 100 95)

The Company will distribute a list setting out the questions directed to the auditor received in writing by Thursday, 13 November 2014 being questions which the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the financial report for the period ended 30 June 2014. The Chairman will allow reasonable opportunity to respond to the questions set out on this list.

RIFT VALLEY RESOURCES LIMITED

ABN 86 121 985 395

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Rift Valley Resources Limited ("Rift Valley" or the "Company") will be held at Ground Floor, 10 Outram Street, West Perth WA 6000, Australia, at 10am (WST) on Thursday, 20 November 2014.

AGENDA

BUSINESS

The Explanatory Statement which accompanies and forms part of this Notice describes the matters to be considered as ordinary business and special business. Certain abbreviations and other defined terms are used throughout this Notice. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in the Glossary contained in the Explanatory Statement.

ORDINARY BUSINESS

Annual Accounts

To receive and consider the consolidated financial report of the Company for the period ended 30 June 2014 and the reports by the Directors and Independent Auditor.

Resolution 1: Remuneration Report

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

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report."

- Although the vote on this resolution is advisory only, this resolution shall be determined as if it were an ordinary resolution.
- If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution ("spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

Voting exclusion

The Company will disregard any votes cast (in any capacity) on Resolution 1 by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may cast a vote on this Resolution if:

- (a) 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
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 2: Re-election of Mr Graeme Clatworthy as a Director

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

"That for the purposes of Listing Rule 14.4 and clause 13.2 of the Constitution, Mr Graeme Clatworthy being a Director of the Company appointed as an addition to the Board and who retires in accordance with clause 13.2 of the Constitution, be elected as a Director of the Company."

Short Explanation: Clause 13.2 of the Constitution requires that any Director appointed to fill a casual vacancy or as an additional Director, holds office only until the conclusion of the next Annual General Meeting of the Shareholders and is eligible for re-election at that Meeting.

Resolution 3: Re-election of Mr Greg Cunnold as a Director

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

"That for the purposes of Listing Rule 14.4 and clause 13.2 of the Constitution, Mr Greg Cunnold being a Director of the Company appointed as an addition to the Board and who retires in accordance with clause 13.2 of the Constitution, be elected as a Director of the Company."

Short Explanation: Clause 13.2 of the Constitution requires that any Director appointed to fill a casual vacancy or as an additional Director, holds office only until the conclusion of the next Annual General Meeting of the Shareholders and is eligible for re-election at that Meeting.

Resolution 4: Approval of Additional Placement Capacity

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, to be issued on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

Short Explanation: The Company seeks approval to issue an additional 10% of the Company's issued ordinary securities during a 12 month period in accordance with Listing Rule 7.1A.

Voting exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote cast on this Resolution 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 Chair of 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.

Important note: The proposed allottees of any Equity Securities under the Additional Placement Capacity are not as yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the Additional Placement Capacity), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

Resolution 5: Approval to grant 2,000,000 Performance Rights to Graeme Clatworthy, a director of the Company

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

"That, for the purposes of Sections 200B, 200E and 208(1)(a) of the Corporations Act and Listing Rule 10.11, and for all other purposes, Shareholders approve the granting of 2,000,000 Performance Rights to Mr Graeme Clatworthy (or his nominee) for no consideration, and the issue of shares under the Performance Rights, in the manner outlined in the Explanatory Memorandum."

Note: If approval is obtained under Listing Rule 10.11, approval is not required under Listing Rule 7.1, as set out in the Explanatory Memorandum.

Voting exclusion

Under Sub-section 224(1) of the Corporations Act and Listing Rules 10.13.6 and 14.11 the Company will disregard any votes cast on the resolution by Graeme Clatworthy (or his nominee) or associates of Graeme Clatworthy (or his nominee). However, Sub-section 224(1) of the Corporations Act does not prevent the casting of a vote if it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the resolution and it is not cast on behalf of Graeme Clatworthy (or his nominee) or any associate of Graeme Clatworthy (or his nominee).

Under Listing Rule 14.11 the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by a 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.

Snapshot Date

The Directors have determined that for the purposes of regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the persons eligible to attend and vote at the Meeting are those persons who are registered as Shareholders at 10am (WST) on Tuesday 18 November 2014.

Incorporation of Explanatory Statement

The Explanatory Statement attached to this Notice of Meeting, is hereby incorporated into and forms part of this Notice of Meeting.

Interdependency of Resolutions

Resolutions 1, 2, 3 and 4 are not interdependent. This means that Resolutions 1, 2, 3 and 4 may be passed by Shareholders notwithstanding that one or more of those resolutions are not passed by Shareholders.

Resolutions 2 and 5 are interdependent. This means that if Shareholders do not pass Resolution 2 then Shareholders cannot pass Resolution 5. However, if Shareholders pass Resolution 2, they are not also required to pass Resolution 5.

DATED THIS 15TH DAY OF OCTOBER 2014

BY ORDER OF THE BOARD

Mr Graeme Clatworthy

Director

EXPLANATORY STATEMENT

This Explanatory Statement and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

Certain abbreviations and other defined terms are used throughout this Explanatory Statement. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in the Glossary contained in this Explanatory Statement.

This Explanatory Statement has been prepared for the Shareholders of Rift Valley in connection with the Annual General Meeting of the Company to be held on Thursday, 20 November 2014.

1. ANNUAL ACCOUNTS

The Corporations Act requires that the Annual Report (which includes the financial report, directors' report and auditors' report) be laid before the Annual General Meeting.

Shareholders will be given an opportunity to ask questions and make comments about the Annual Report generally but there will be no formal resolution submitted in respect of the Annual Report.

2. RESOLUTION 1 – REMUNERATION REPORT

In accordance with the Corporations Act, a resolution to adopt the Remuneration Report must be put to Shareholders. The Remuneration Report which details the Company's policy on the remuneration of non-executive Directors, executive Directors, the Company Secretary and senior executives is set out in the Company's 2014 Annual Report. It is also available on the Rift Valley website at www.riftvalleyresources.com.au.

Voting on this resolution is advisory only. Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

Any undirected proxies (ie. open proxies) held by the Chairperson of the Annual General Meeting, other than those of directors or other Key Management Personnel or any of their Closely Related Parties, will not be voted on Resolution 1 (Remuneration Report), unless the proxy expressly authorises the Chairman to exercise undirected proxies even if the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

The Chairman will use any undirected proxies to vote in favour of the Resolution. Therefore, the Company encourages you to carefully read the proxy form and direct your proxy on how to vote on Resolution 1.

3 RESOLUTION 2 – RE-ELECTION OF A DIRECTOR (GRAEME CLATWORTHY)

3.1 Background

Resolution 2 seeks approval for the re-election of Mr Graeme Clatworthy as a Director. Mr Clatworthy was appointed as a Director of the Company on 10 February 2014 pursuant to clause 13.2 of the Constitution. In accordance with Listing Rule 14.4 and clause 13.2 of the Constitution Mr Clatworthy must stand for election at the Annual General Meeting. As such, at the Annual General Meeting Mr Clatworthy retires from his position as a Director and, being eligible, offers himself for election to that position.

Graeme holds a Bachelor of Business, majoring in Accounting. He has accumulated 27 years of experience in the Australian Capital Markets having worked for several Australian based Stockbroking firms. Graeme brings to Rift Valley a vast understanding of Capital Markets and has established long standing relationships within the broking community.

3.2 Directors' Recommendation

All the Directors (other than Mr Graeme Clatworthy) recommend Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RE-ELECTION OF A DIRECTOR (GREG CUNNOLD)

4.1 Background

Resolution 3 seeks approval for the re-election of Mr Greg Cunnold as a Director. Mr Cunnold was appointed as a Director of the Company on 10 February 2014 pursuant to clause 13.2 of the Constitution. In accordance with Listing Rule 14.4 and clause 13.2 of the Constitution Mr Cunnold must stand for election at the Annual General Meeting. As such, at the Annual General Meeting Mr Cunnold retires from his position as a Director and, being eligible, offers himself for election to that position.

Mr Cunnold is a geologist with over 20 years' experience in the international exploration industry. His expertise extends from project definition and acquisition, through grass roots exploration and delineation, to resource definition and bankable feasibility. During his career Mr Cunnold has worked on a range of precious metal, base metal and industrial mineral projects throughout the world.

Mr Cunnold was the first geologist stationed in Romania for Gabriel Resources, where he resided for five years working as project manager on the Rosia Montana gold project, culminating in the completion of a BFS on the 14 million ounce gold deposit defined there. More recently, Mr Cunnold was the Exploration Manager for Reward Minerals, during which time the company discovered and delineated Australia's first potash resource of over 20 million tonnes of potassium sulphate at Lake Disappointment.

Mr Cunnold holds a Bachelor of Science (Geology) degree from the University of Western Australia. He is also a member of the Australian Institute of Geoscientists (MAIG) and the Australian Institute of Mining and Metallurgy (AusIMM).

4.2 Directors' Recommendation

All the Directors (other than Mr Cunnold) recommend Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 – ADDITIONAL PLACEMENT CAPACITY

5.1 General

Listing Rule 7.1 permits entities to issue 15% of its issued capital without shareholder approval in a 12 month period, subject to a number of exceptions.

The Listing Rules also allow certain small to mid-cap companies to seek shareholder approval for additional placement capacity. Listing Rule 7.1A permits eligible entities, which have obtained shareholder approval by special resolution, to issue Equity Securities up to an additional 10% of its issued capital by placements over a 12 month period after the annual general meeting ("**Additional Placement Capacity**"). The Additional Placement Capacity, if approved by Shareholders, is in addition to the Company's existing 15% placement capacity under Listing Rule 7.1.

The Company seeks Shareholder approval under Resolution 4 to be able to issue Equity Securities under the Additional Placement Capacity. The exact number of Equity Securities to be issued is not fixed and will be determined in accordance the formula prescribed in Listing Rule 7.1A.2 (set out below).

The Company is seeking approval to issue securities under the Additional Placement Capacity as it provides additional flexibility and capacity to the fund raising alternatives that would otherwise normally be available to the Company.

Requirements of Listing Rule 7.1A

Eligible entities

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company's market capitalisation, using the share price as at 7 October 2014, is \$9.89 million. The Company is an eligible entity.

Shareholder approval

Shareholders must approve the Additional Placement Capacity by special resolution at the annual general meeting which requires the approval of 75% of the votes cast by Shareholders present and eligible to vote (being present at the Meeting either in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative). A resolution under Listing Rule 7.1A cannot be put at any other shareholder meeting.

Equity Securities

Equity Securities issued under the Additional Placement Capacity must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Company has one class of Equity Securities quoted on ASX being fully paid ordinary Shares.

Formula for calculating number of Equity Securities that may be issued under the Additional Placement Capacity

If Resolution 4 is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula:

(AxD)-E

A	The number of fully paid shares on issue 12 months before the date of issue or agreement: <ul style="list-style-type: none">• plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;• plus the number of partly paid shares that became fully paid in the 12 months;• plus the number of fully paid shares issued in the 12 months with the approval of shareholders under Listing Rules 7.1 or 7.4. This does not include an issue of fully paid shares under the Company's 15% placement capacity without Shareholder approval;• less the number of fully paid shares cancelled in the 12 months.
D	10%
E	The number of Equity Securities issued or agreed to be issued under Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

Interaction between Listing Rules 7.1 and 7.1A

The Additional Placement Capacity under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company has 329,580,110 Shares on issue as at the date of this Notice. For the purposes of the calculations in Listing Rules 7.1 and 7.1A the Company has calculated input "A" in those Listing Rules as 329,580,110 Shares. If all of the Resolutions in this Notice are passed, the Company will be permitted to issue (as at the date of this Notice):

- 49,437,017 Equity Securities under Listing Rule 7.1, being 15% of 329,580,110 shares minus 2,500,000 shares issued in the last 12 months as part of the 15% placement capacity; and
- 32,958,011 Equity Securities under Listing Rule 7.1A, being 10% of 329,580,110 shares.

The actual number of Equity Securities that the Company will be permitted to issue under Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out above).

The effect of Resolution 4 will be to allow the Company to issue securities under Listing Rule 7.1A without using the Company's placement capacity under Listing Rule 7.1.

Information for Shareholders as required by Listing Rule 7.3A

Minimum price

The issue price of the new Equity Securities will be no lower than 75% of the volume weighted average market price (VWAMP) for securities in the relevant quoted class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price of the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 5 Business Days of the date above, the date on which the Equity Securities are issued.

Risk of economic and voting dilution

If Resolution 4 is passed and the Company issues securities under the Additional Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the table below.

There is the risk that:

- the market price for the Company's existing Equity Securities may be significantly lower on the date of issue of the new Equity Securities than on the date of the Meeting; and
- the new Equity Securities may be issued at a price that is at a discount to the market price of the Company's existing Equity Securities on the issue date or the new Equity Securities may be issued as part of the consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the new Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example a pro rata entitlement issue) or future placements under Listing Rule 7.1 that are approved by Shareholders in the future; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.015 50% decrease in Issue Price	\$0.03 Current Market Price	\$0.06 100% increase in Issue Price
Current 329,580,110 Shares	10% Voting Dilution	32,958,011 Shares	32,958,011 Shares	32,958,011 Shares
	Funds raised	\$494,370	\$988,740	\$1,977,481
50% increase in Variable A 494,370,165 Shares	10% Voting Dilution	49,437,017 Shares	49,437,017 Shares	49,437,017 Shares
	Funds raised	\$741,555	\$1,483,111	\$2,966,221
100% increase in Variable A 659,160,220 Shares	10% Voting Dilution	65,916,022 Shares	65,916,022 Shares	65,916,022 Shares
	Funds raised	\$988,740	\$1,977,481	\$3,954,961

This table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the Additional Placement Capacity.
- No Options (including any Options issued under the Additional Placement Capacity) are exercised into Shares before the date of the issue of the Equity Securities.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Equity Securities under the Additional Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

- The issue price is \$0.03, being the latest closing price of the Shares on ASX on 7 October 2014.
- The Company's ability to issue securities under Listing Rule 7.1A is in addition to its ability to issue securities under Listing Rule 7.1.

Placement Period

Shareholder approval of the Additional Placement Capacity under Listing Rule 7.1A is valid from 20 November 2014 (the date of this Meeting) and expires on the earlier of:

- 20 November 2015, which is 12 months after this Meeting; or
- the date Shareholders approve a transaction under Listing Rule 11.1.2 (significant change to nature or scale of activities) or 11.2 (disposal of the main undertaking), or such longer period as allowed by ASX (the "**Placement Period**").

The approval will cease to be valid in the event that Shareholders approve a transaction under Listing Rules 11.1.2 or 11.2.

The Company will only issue and allot new Equity Securities during the Placement Period.

Purposes for which the new Equity Securities may be issued

The Company may seek to issue new Equity Securities for the following purposes:

- cash consideration to raise funds for the acquisition of new assets or investments (including the expenses associated such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and for general working capital; or
- non-cash consideration for acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

Allocation policy

The Company's allocation policy for the issue of new Equity Securities under the Additional Placement Capacity will depend on the market conditions existing at the time of the proposed issue. The allottees will be determined at the relevant time having regard to factors such as:

- the methods of raising funds available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- the effect of the issue of new securities on the control of the Company;
- the financial situation and solvency of the Company;
- advice from corporate, financial and broking advisers (as relevant).

As at the date of this Notice the allottees are not known but may include existing substantial Shareholders and/or new Shareholders. No allottee under the Additional Placement Capacity will be a related party or associate of a related party. Existing Shareholders may or may not be entitled to subscribe for any Equity Securities issued under the Additional Placement Capacity and it is possible their shareholding will be diluted.

If the Additional Placement Capacity is used to acquire new assets or investments then it is likely the allottees will be the vendors of the new assets.

The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 and 3.10.5A on the issue of any new securities.

Details of Equity Securities issued under earlier placement capacity

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 11 November 2013 (**Previous Approval**). The Company has not issued any securities pursuant to the Previous Approval.

In accordance with Listing Rule 7.3A.6, the following table provides details regarding the total number of equity securities issued in the past 12 months preceding the date of the meeting and the percentage those issues represent of the total number of equity securities on issue at the commencement of the 12 month period under Listing Rule 7.1:

Equity securities issued in prior 12 month period	2,500,000
Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period	0.75%

Specific details for this issue are as follows:

Date of issue	17 January 2014
Number issued	2,500,000
Class/Type of equity security	ORD
Summary of terms	Ordinary Shares
Name of persons who received securities or basis on which those persons were determined	Black Fire Minerals Limited
Price	2 cents per share
Discount to market price	Nil
Non-cash consideration paid	For Consideration of Sable Minerals Pty Ltd
Current value of that non-cash consideration	3 cents per share

Voting exclusion

A voting exclusion is included in the Notice. At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holders to participate in a proposed issue of Equity Securities under the proposed Additional Placement Capacity. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

5.2 Directors' Recommendation

All the Directors recommend Shareholders vote in favour of Resolution 4.

5. RESOLUTION 5 – APPROVAL FOR GRANT OF 2,000,000 PERFORMANCE RIGHTS TO GRAEME CLATWORTHY, A DIRECTOR OF THE COMPANY

5.1 General

Subject to Resolution 2 being passed by Shareholders, the Company proposes to issue 2,000,000 Performance Rights to Mr Graeme Clatworthy (or his nominee) who has been appointed as a Director.

Background

This resolution deals with the proposal to issue 2,000,000 Performance Rights to Graeme Clatworthy, a Director of the Company (or his nominee).

Terms of Grant of Performance Rights

The full terms of grant of the Performance Rights are set out in Annexure 1. Key conditions of the terms of issue include:

- (1) The Performance Rights issued will not vest and the underlying Shares will not be issued until the date which is 12 months after the date of grant of the Performance Rights and a share price being greater than a VWAP of 3 cents for 20 consecutive days.
- (2) If the Performance Rights vest, then the holder has the right to be issued the underlying shares.
- (3) If the director elects to resign within the 12 month period, then the right to the underlying shares is forfeited.
- (4) If the director's office as director is terminated within the 12 month period, then the Performance Rights lapse immediately upon the date of termination unless a change of control event has occurred.

Approvals required

This Shareholder approval is required under Listing Rule 10.11 which permits a director to be issued new Equity Securities of the Company if Shareholder approval is obtained.

Further, Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue, or agree to issue, during any 12 month period any Equity Securities, or other securities with rights to conversion to equity (such as Director Performance Rights), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period. Shares issued under this resolution would fall within an exception. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

One of the effects of the Resolution will be to allow the Company to grant the 2,000,000 Performance Rights proposed to be granted without using the Company's 15% placement capacity.

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in respect of the 2,000,000 Performance Rights:

- (a) the number of Performance Rights to be issued is 2,000,000 Performance Rights;
- (b) the Performance Rights will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);

- (c) the issue price for the Performance Rights will be Nil, and the issue price for the issue of the shares under the Performance Rights will be Nil;
- (d) the recipient will be Mr Graeme Clatworthy (or his nominee);
- (e) Performance Rights will be issued on the terms of issue set out in **Annexure 1** and the shares issued upon vesting will be fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares; and
- (f) no funds will be raised by the issue of the Performance Rights.

Chapter 2E of the Corporations Act

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

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E of the Corporations Act, Graeme Clatworthy (or his nominee) is a related party and the issue of the Performance Rights to him (or his nominee) constitutes the giving of a financial benefit.

Accordingly, Shareholder approval is required.

In accordance with the requirements of Chapter 2E of the Corporations Act, and in particular, section 219 of the Corporations Act, the following information is provided to Shareholders to allow them to assess the proposed issue of 2,000,000 Performance Rights to Graeme Clatworthy (or his nominee):

(a) The related party to whom the proposed resolutions would permit the financial benefit to be given

The related party to whom the proposed resolution would permit the financial benefit to be given is Graeme Clatworthy, Director (or his nominee).

(b) The nature of the financial benefit

The nature of the financial benefit to be given is the issue to him of 2,000,000 Performance Rights with a nil issue price.

No funds will be raised by the issue of the Performance Rights.

(c) Reasons for the specific number of Performance Rights

The specific number of Performance Rights for Mr Graeme Clatworthy was chosen by the Board (other than Mr Graeme Clatworthy) as an appropriate number to retain a director of that particular director's skills and experience, and to provide a realistic and meaningful incentive to that particular director. The vesting conditions of the Performance Rights were chosen by the Board (other than Mr Graeme Clatworthy) as being appropriate for the same reasons.

The issue of Performance Rights to Mr Graeme Clatworthy (or his nominee) is a more cost effective incentive for the Company as opposed to the payment of additional cash compensation to Mr Graeme Clatworthy. Alternative choices such as providing higher director fees, cash payments or cash bonuses to Mr Graeme Clatworthy were considered by the Board (other than Mr Graeme Clatworthy) however these choices were considered inappropriate by the Board (other than Mr Graeme Clatworthy) because they would reduce the Company's cash position at a

time when the Company wishes to minimise cash expenditure because the Company is presently in an exploration stage which requires significant expenditure and the Company is not earning or deriving income from operations.

(d) Directors' recommendation and basis of financial benefit

Mr Graeme Clatworthy has a material personal interest in the outcome of the resolution and therefore does not wish to make a recommendation to Shareholders about the Resolution because he has an interest in the outcome of that Resolution.

The issue of Performance Rights to Mr Graeme Clatworthy is a more cost effective incentive for the Company as opposed to the payment of additional cash compensation. As mentioned above, alternative choices such as higher director fees, cash payments or cash bonuses were considered inappropriate because these choices would reduce the company's cash position.

Mr Greg Cunnold, Director of the Company, recommends that Shareholders approve the Resolution for the reasons set out in this Explanatory Memorandum, including the reasons set out above in paragraph (b) and this paragraph (c).

Mr Geoffrey Gilmour, Managing Director of the Company, recommends that Shareholders approve the Resolution for the reasons set out in this Explanatory Memorandum, including the reasons set out above in paragraph (b) and this paragraph (c).

Mr Geoffrey Gilmour and Mr Greg Cunnold have no interest in the outcome of the Resolution.

(e) Dilution

As at the date of this Notice, the capital structure of the Company is as follows:

Capital	Number
Ordinary Shares	329,580,110
ASX Quoted Options	Nil
Unquoted Options	7,500,000
Performance Rights	3,750,000

If Shareholders approve the Resolution, then the issued capital of the Company would be as follows:

Capital	Number
Ordinary Shares	329,580,110
ASX Quoted Options	Nil
Unquoted Options	7,500,000
Performance Rights	5,750,000

If the Performance Rights vest and the shares are issued, then dilution of existing shareholders will occur. The effect will be to dilute the Shareholding of existing

Shareholders by approximately 0.61 %, based on the existing number of Shares and Options as at the date of this Notice.

(f) Total remuneration package

Details of Mr Graeme Clatworthy's remuneration for the current financial year is as follows:

Name	Cash, salary and fees	Superannuation	Other Benefits	Total
Graeme Clatworthy	30,000	1,425	Nil	31,425

(g) Existing relevant interest

As at the date of the Notice of Meeting, the Directors hold the following securities in the Company (representing 9.22 % of the issued capital of the Company on a fully diluted basis):

Recipient Officer	Number of Shares held directly	Number of Shares held indirectly	Number of Options held indirectly	Number of Performance rights held directly	Number of Performance rights held indirectly
Geoffrey Mark Gilmour	Nil	11,501,537	Nil	3,000,000	Nil
Graeme Clatworthy	Nil	8,600,000	Nil	Nil (as at the date of the Notice of Meeting)	Nil (as at the date of the Notice of Meeting)
Greg Cunnold	Nil	11,336,000	Nil	Nil.	Nil.

Mr Graeme Clatworthy has an interest in the outcome of the Resolution in that he will receive 2,000,000 Performance Rights if the Resolution is passed.

(h) Trading History

During the last 12 months before the date of lodgement of this Notice with ASIC, the highest ASX trading price of the Shares was 3.6 cents on 30 September 2014 and the lowest ASX trading price of the Shares was 1.5 cents on 6 May 2014.

The ASX market price of the Company's Shares over the 5 days of trading on ASX up to and including 7 October 2014 has been between a minimum of 3 cents per Share to a maximum of 3.5 cents per Share.

On 7 October 2014 the Shares closed at a price of 3 cents per Share.

(i) Valuation of Performance Rights

The initial undiscounted value of the Performance Rights is the value of an underlying share in the Company as traded on ASX at the date of deemed grant of the Performance Right. As the performance conditions are market based performance conditions, under *International Financial Reporting Standards* (IFRS), a discount is applied.

An indicative valuation for each Performance Right as at 4 September 2014 has been calculated in accordance with the principles of AASB 2 and based on certain assumptions and has been determined to be 2.24cents.

The valuation took into account the following matters:

- The valuation of Performance Rights assumes that the exercise of a right does not affect the value of the underlying asset.
- Under AASB 2 'Share Based Payments' and option valuation theory, a discount is made to the fundamental value for unlisted rights over listed Shares.
- The performance conditions determine the number of Performance Rights to be issued; they do not have an effect on the value of each Performance Right.
- Given that the Performance Rights are to be issued for no consideration, the value of the Performance Rights is reflected in the underlying Share price at the valuation date.

Based on the above valuation, the total value of the 2,000,000 Performance Rights would be \$44,800.

Benefit Provided Upon Termination and Sections 200B and 200E of the Corporations Act

Section 200B of the Corporations Act prevents a company from giving a benefit to a director in connection with the director's retirement or removal unless the company's shareholders approve the benefit under Section 200E of the Corporations Act or the benefit falls within certain exceptions set out in the Corporations Act.

Shareholder approval is sought for the condition of the Performance Rights that if there is change in control of the Company and the director's office as director is terminated within the 12 month period, then the Performance Rights vest immediately upon the date of termination. The money value of the benefit would depend on the value of the underlying shares at the date of termination. The manner in which the value of the benefit is to be calculated is 2,000,000 shares multiplied by their market value at the time of termination.

6. ENQUIRIES

Shareholders are invited to contact the Company Secretary, Scott Mison on (08) 922 100 90 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

"Additional Placement Capacity" means the capacity to issue additional Equity Securities by way of placement approved by Shareholders under Listing Rule 7.1A.

"Annual Report" means the Company's annual report including the reports of the Directors and the auditor and the financial statements of the Company for the period ended 30 June 2014, which can be downloaded from the Company's website at www.riftvalleyresources.com.au

"ASX" means ASX Limited ACN 008 624 691 or the Australian Securities Exchange as the context requires.

"Board" means the board of Directors.

"Business Day" means any ASX Business Day that is not a Saturday, Sunday or public holiday in Western Australia.

"Closely Related Party" of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company that the member controls; or
- (f) a person prescribed to be a closely related party by the Corporations Regulations.

"Company" or **"Rift Valley"** means Rift Valley Resources Limited ABN 86 121 985 395. "Constitution" means the Company's Constitution.

"Constitution" means the Company's Constitution.

"Corporations Act" means the Corporations Act 2001 (Cth). "Directors" mean the directors of the Company.

"Directors" means the directors of the Company.

"Equity Securities" has the same meaning as in the Listing Rules.

"Key Management Personnel" has the same meaning as in the Australian Accounting Standards and therefore includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company.

"Listing Rules" means the Listing Rules of ASX.

"Meeting" means a meeting of the Shareholders, holders or Directors.

"Notice", "Notice of Meeting" or "Notice of General Meeting" means the Notice of meeting which accompanies this Explanatory Statement.

"Option" means an option to subscribe for one Share.

"Placement Period" means the period during which Shareholder approval under Listing Rule 7.1A is valid.

“Remuneration Report” means the remuneration report appearing in the Annual Report.

"Shareholders" means the holder of the Shares.

“Shareholders” means the holder of Shares.

"Share" means fully paid ordinary share in the Company.

"WST" means Australian Western Standard Time.

Annexure 1
Terms of Issue of Performance Rights to be granted to
Graeme Clatworthy
(Resolution 5)

The terms of issue of the Performance Rights are:

- (a) Each Performance Right entitles the holder of the Performance Right (the "Holder") to be issued one fully paid ordinary share in the company ("Share"), with a nil share issue price, on these terms of issue including the performance condition/s set out below.
- (b) The Performance Rights will be granted for nil issue price.
- (c) An applicant for Performance Rights may apply for the number of Performance Rights specified in an invitation sent by the Company to the Applicant, by sending to the Company (marked for the attention of the Company Secretary) a duly signed and completed application (in the form attached to or accompanying the invitation).
- (d) The Performance Rights vest [*and the underlying Shares will be issued on the following terms and conditions*] if the performance condition set out below is satisfied:-
 - continual service as a Director of the company for a period commencing on the date of grant of the Performance Rights until the date which is 12 months later; and
 - a share price being greater than a VWAP of 3 cents for 20 consecutive days
- (e) The Performance Rights expire and automatically lapse on the date which is 13 months after the date of grant unless they have already vested earlier in accordance with these terms.
- (f) On the date of vesting **the Holder has the right, but not the obligation**, to elect to have the Performance Rights converted to Shares with no exercise price, nor share issue price, being payable and if the election is made then the Company must allot and issue the number of Shares, update the share register and issue and send to the Holder an updated holding statement (or share certificate) no later than 5pm on the second business day after the date of election.
- (g) The Share issued upon vesting will rank equally in all respects with the Company's ordinary shares and the Company will apply to the ASX for official quotation of the shares after they are issued.
- (h) If the Holder elects to resign as a director of the company, then all Performance Rights automatically lapse on the date of resignation.
- (i) Subject to paragraph (j) below, if the Holder is a director and that director's office as director is terminated, then all Performance Rights automatically lapse on the date of termination.
- (j) All Performance Rights issued but not vested immediately vest (to the extent they have not already vested or have lapsed) if:
 - (a) a takeover bid (as defined in the Corporations Act) to acquire Shares becomes, or is declared to be, unconditional, irrespective of whether or not

the takeover bid extends to Shares issued and allotted after the date of the takeover bid;

- (b) a change of Control of the Company occurs; or
 - (c) a merger by scheme of arrangement under the Corporations Act is approved by the court under section 411(4)(b) of the Corporations Act,
- (k) If the Company is required under relevant tax legislation to make withholdings on account of tax upon:
- (a) the grant of Performance Rights; or
 - (b) the automatic conversion of Performance Rights to Shares,

then the Board may sell a sufficient number of the Shares which would otherwise be issued upon vesting, so that the net proceeds of sale equal the payment which the Company is required to pay to the appropriate authorities. This arrangement does not apply if the Holder makes an alternative arrangement to the satisfaction of the Company.

- (l) Performance Rights are not transferable.
- (m) The Holder is not entitled to assign any right, interest or benefit in the Performance Rights (or any part of them), not grant an interest over or in the Performance Rights.
- (n) Performance Rights will not be quoted for trading on the ASX or any other exchange.
- (o) For the avoidance of doubt, a Performance Right does not confer on the Holder the right to receive dividends, vote or participate in an offer to shareholders such as a rights issue offer.

RIFT VALLEY RESOURCES LIMITED

ABN 86 121 985 395

Certificate of Appointment of Corporate Representative

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

.....

(Company),

(Insert name of company)

the Company has appointed:

.....

Insert name of corporate representative

in accordance with the provisions of section 250D of the Corporations Act 2001, to act as the body corporate representative of that company at the Meeting of the Shareholders of Rift Valley Resources Limited to be held on 20 November 2014 and at any adjournments of that Meeting.

DATED

2014

Executed by the Company)

in accordance with its constituent documents)

.....

.....

Signed by authorised representative

Signed by authorised representative

.....

.....

Name of authorised representative (print)

Name of authorised representative (print)

.....

.....

Position of authorised representative (print)

Position of authorised representative (print)

INSTRUCTIONS FOR COMPLETION

Under Australian law, an appointment of a body corporate representative will only be valid if the Certificate of Appointment is completed precisely and accurately. Please follow the following instructions to complete the Certificate of Appointment:

1. Insert the name of appointer company and the name or position of the appointee (e.g. "John Smith" or "each Director of the Company").
2. Execute the Certificate following the procedure required by your Constitution or other constituent documents.
3. Print the name and position (e.g. Director) of each company officer who signs this Certificate on behalf of the appointer company.
4. Insert the date of execution where indicated.
5. Send the Certificate by;
 - facsimile to the Company on facsimile number (08) 922 100 95 (International + 61 8 922 100 95); or
 - deliver the proxy to the Company at Level 2, 23 Barrack Street, Perth WA 6000, Australia; or
 - mail the proxy to the Company at PO Box 1321, Fremantle WA 6959, Australia;
6. or the Corporate Representative may present the original Certificate when registering attendance at the start of the Meeting.

Rift Valley Resources Limited

ABN 86 121 985 395

All Correspondence to:

✉ **By Mail** Rift Valley Resources Limited
PO Box 1321
Fremantle WA 6959, Australia

📠 **By Fax:** +61 8 9221 0095

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

☎ **By Phone:** +61 8 9221 0090

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (WST) on Tuesday 18th November 2014.**

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 security holder 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 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.

STEP 3 SIGN THE FORM

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

Individual: This form is to be signed by the security holder.

Joint Holding: where the holding is in more than one name, all the security holders 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 **10:00am (WST) on Tuesday 18th November 2014.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged by:

📠 **By Fax** + 61 8 9221 0095

✉ **By Mail** Rift Valley Resources Limited
PO Box 1321
Fremantle WA 6959, Australia

👤 **In Person** Level 2, 23 Barrack Street
Perth WA 6000, Australia

Attending the Meeting

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

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 Rift Valley 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 below

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 General Meeting of the Company to be held at Ground Floor, **10 Outram Street, West Perth on Thursday 20th November 2014 at 10am (WST)** 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 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 this 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 resolution/s and that 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, 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

If you appoint the Chairman of the Meeting as your proxy and you do not specify in this Proxy Form the way that the Chairperson is to vote on a resolution, then the Chairman of the meeting may vote as he thinks fit for the resolution and you hereby expressly AUTHORISE the Chairman to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the company. The Chairman of the Meeting intends to vote 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	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Graeme Clatworthy as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Greg Cunnold as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Additional Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to grant 2,000,000 Performance Rights to Graeme Clatworthy, a director of the Company	<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	Securityholder 2	Securityholder 3
<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary