

PROSPERITY RESOURCES LIMITED
ACN 103 280 235
NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY STATEMENT AND PROXY FORM

DATE: 28 November 2013
TIME: 9.30 am (WST)
PLACE: State Tennis Centre
Victoria Park Drive
Burswood
Western Australia

PROSPERITY RESOURCES LIMITED
ACN 103 280 235

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Prosperity Resources Limited (the Company) will be held at the State Tennis Centre, Victoria Park Drive, Burswood, Perth, Western Australia on 28 November 2013 at 9.30am (WST) for the purpose of transacting the following business.

Ordinary Business

Financial statements and reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2013 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following Resolution as a **non-binding 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 as contained in the Company's annual financial report for the financial year ended 30 June 2013.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution:

- (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, the Company will 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) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides, even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP of the Company.

Resolution 2 – Re-election of Director

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

“That, for the purposes of clause 11.3 of the Constitution and for all other purposes, Mr Sebastian Hempel, a Director who retires by rotation, and being eligible, is re-elected as a Director.”

Resolution 3 – Issue of Shares to Resource Global Finance Ltd

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 2,000,000 Shares to Resource Global Finance Ltd or its nominee, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if this Resolution is passed, and any of their respective associates.

However, the Company will 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 if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4 – Issue of Shares to Resource Global Finance Ltd to satisfy RGF Loan Facility

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of the number of Shares calculated in accordance with the formula in the Explanatory Statement to Resource Global Finance Ltd or its nominee, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if this Resolution is passed, and any of their respective associates. However, the Company will 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 if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5 – Issue of a maximum of 100,000,000 Shares

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue, within 3 months of the date of this Resolution, of up to 100,000,000 Shares to persons identified by the Company, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if this Resolution is passed, and any of their respective associates. However, the Company will 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 if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 6 – Issue of Shares to Mr Mo Munshi

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

"That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 26,121,000 Shares to Mr Mo Munshi or his nominee, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution:

- (a) by a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if this Resolution is passed, and any of their respective associates;
- (b) by a Director of the Company or an associate of a Director; or
- (c) as a proxy by a member of the KMP or a Closely Related Party (such as close family members and any controlled companies) of a member of the KMP.

However, the Company will 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) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides and the appointment expressly authorises the person chairing the meeting to exercise the proxy even though the Resolution is connected with the remuneration of a member of the KMP of the Company.

Resolution 7 – Issue of Performance Rights to Mr Mo Munshi

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

“That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 5,000,000 Performance Rights to Mr Mo Munshi or his nominee, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution:

- (a) by a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if this Resolution is passed, and any of their respective associates;
- (b) by a Director of the Company or an associate of a Director; or
- (c) as a proxy by a member of the KMP or a Closely Related Party (such as close family members and any controlled companies) of a member of the KMP.

However, the Company will 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) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides and the appointment expressly authorises the person chairing the meeting to exercise the proxy even though the Resolutions connected with the remuneration of a member of the KMP of the Company.

Resolution 8 – Issue of Shares to Mr John Arbuckle

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

“That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 2,463,000 Shares to Mr John Arbuckle or his nominee, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution:

- (a) by a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if this Resolution is passed, and any of their respective associates;
- (b) by a Director of the Company or an associate of a Director; or
- (c) as a proxy by a member of the KMP or a Closely Related Party (such as close family members and any controlled companies) of a member of the KMP.

However, the Company will 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) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides and the appointment expressly authorises the person chairing the meeting to exercise the proxy even though the Resolution is connected with the remuneration of a member of the KMP of the Company.

Resolution 9 – Issue of Performance Rights to Mr John Arbuckle

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

"That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 1,000,000 Performance Rights to Mr John Arbuckle or his nominee, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution:

- (a) by a Director of the Company or an associate of a Director; or
- (b) as a proxy by a member of the KMP or a Closely Related Party (such as close family members and any controlled companies) of a member of the KMP.

However, the Company will 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) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides and the appointment expressly authorises the person chairing the meeting to exercise the proxy even though the Resolution is connected with the remuneration of a member of the KMP of the Company.

Resolution 10 – Issue of Shares to Mr Sebastian Hempel

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

"That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 2,200,900 Shares to Mr Sebastian Hempel or his nominee, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution:

- (a) by a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if this Resolution is passed, and any of their respective associates;
- (b) by a Director of the Company or an associate of a Director; or
- (c) as a proxy by a member of the KMP or a Closely Related Party (such as close family members and any controlled companies) of a member of the KMP.

However, the Company will 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) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides and the appointment expressly authorises the person chairing the meeting to exercise the proxy even though the Resolution is connected with the remuneration of a member of the KMP of the Company.

Resolution 11 – Issue of Performance Rights to Mr Sebastian Hempel

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

"That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 1,000,000 Performance Rights to Mr Sebastian Hempel or his nominee, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by:

- (a) by a Director of the Company or an associate of a Director; or

- (b) as a proxy by a member of the KMP or a Closely Related Party (such as close family members and any controlled companies) of a member of the KMP.

However, the Company will 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) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides and the appointment expressly authorises the person chairing the meeting to exercise the proxy even though the Resolution is connected with the remuneration of a member of the KMP of the Company.

Resolution 12 – Issue of Shares to Mr Mufti Habriansyah

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

“That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 2,463,000 Shares to Mr Mufti Habriansyah or his nominee, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution:

- (a) by a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if this Resolution is passed, and any of their respective associates;
- (b) by a Director of the Company or an associate of a Director; or
- (c) as a proxy by a member of the KMP or a Closely Related Party (such as close family members and any controlled companies) of a member of the KMP.

However, the Company will 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) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides and the appointment expressly authorises the person chairing the meeting to exercise the proxy even though the Resolution is connected with the remuneration of a member of the KMP of the Company.

Resolution 13 – Issue of Performance Rights to Mr Mufti Habriansyah

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

“That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 1,000,000 Performance Rights to Mr Mufti Habriansyah or his nominee, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution:

- (a) by a Director of the Company or an associate of a Director; or
- (b) as a proxy by a member of the KMP or a Closely Related Party (such as close family members and any controlled companies) of a member of the KMP.

However, the Company will 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) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides and the appointment

expressly authorises the person chairing the meeting to exercise the proxy even though the Resolution is connected with the remuneration of a member of the KMP of the Company.

A proxy form is attached.

To be valid, properly completed proxy forms must be received by the Company no later than 9:30am (WST) on 26 November 2013:

- By email: info@prosperity.net.au
- By post: 100 Parry Street, Perth, 6000, Western Australia, Australia
- By facsimile: +61 8 9322 7575

By order of the Board

Garry Taylor
Company Secretary
Date: 11 October 2013

Proxies

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

A proxy may, but need not be, a Shareholder of the Company.

A Shareholder may specify the way in which the proxy is to vote on the resolution or may allow the proxy to vote at its discretion. However, if a member of the Company's KMP (which includes the Directors) or one of their Closely Related Parties is appointed your proxy, they will not be able to vote your proxy on Resolutions 6 to 13 (inclusive) unless you direct them how to vote, or the proxy is the person chairing the meeting and you have specifically authorised them (by checking the required box on the proxy form) to exercise the proxy even though the resolution is directly or indirectly connected with the remuneration of KMP of the Company.

The instrument appointing the proxy must be in writing, executed by the appointer or their attorney duly authorised in writing or, if such appointer is a corporation, either under seal or under hand of an officer duly authorised.

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 reach the registered office of the Company at least 48 hours prior to the meeting. For the convenience of Shareholders a proxy form is enclosed.

Entitlement to vote

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that Shareholders holding Ordinary Shares at 9:30am (WST) on 26 November 2013 will be entitled to attend and vote at the AGM.

Corporations

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company before the meeting.

Explanatory Statement

This Explanatory Statement has been prepared for the Shareholders of Prosperity Resources Ltd ACN 103 280 235 (Company) in connection with the business to be conducted at the Annual General Meeting to be held at the State Tennis Centre, Victoria Park Drive, Burswood, Perth, Western Australia on 28 November 2013 commencing at 9:30am (WST).

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Statement will, unless the context otherwise requires, have the same meaning given to them in the glossary as contained in this Explanatory Statement.

Financial statements and reports

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2013 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company's annual financial report on its website at www.prosperity.net.au.

Resolution 1 – Adoption of Remuneration Report

The Corporations Act requires that at a listed company's annual general meeting, a Resolution that the remuneration report be adopted must be put to the Shareholders. However, such a Resolution is advisory only and does not bind the Directors or the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2013.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

Voting Consequences

If at least 25% of the votes cast on this Resolution are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2014 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the Company ("Spill Resolution").

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting ("Spill Meeting") within 90 days of the second Annual General Meeting. All of the Directors who were in office when the Company's 2014 Director's Report was approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

At the Company's previous Annual General Meeting the votes cast against the Remuneration Report considered at that Annual General Meeting were less than 25%. Accordingly, the Spill Resolution is not a relevant consideration for this Annual General Meeting.

Proxy Restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel as your proxy

If you elect to appoint a member of Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that member, ***you must direct the proxy how they are to vote***. Undirected proxies granted to those persons will not be included in any vote on this Resolution.

If you appoint the Chair as your proxy

If you elect to appoint the Chair as your proxy, you ***do not*** need to direct the Chair how you wish them to exercise your vote on this Resolution. However, if you do not direct the Chair how to vote, ***you must tick the acknowledgement on the proxy form to acknowledge that the Chair may exercise their discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel***.

Resolution 2 – Re-election of Director

Clause 11.3 of the Constitution requires that if the Company has three or more Directors, one third (or the number nearest one-third) of those Directors must retire at each annual general meeting, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

A Director who retires by rotation under clause 11.3 of the Constitution is eligible for re-election.

Mr Sebastian Hempel retires by rotation and seeks re-election.

Resolution 3 – Issue of Shares to Resource Global Finance Ltd

Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities in any 12 month period which amounts to more than 15% of its ordinary securities without the approval of holders of its ordinary securities.

Equity securities issued with the approval of holders of a company's ordinary securities in accordance with Listing Rule 7.1 are not then required to be included in the 15% limit imposed by Listing Rule 7.1.

This Resolution seeks Shareholder approval for the issue of 2,000,000 Shares to Resource Global Finance Ltd or its nominee.

The Directors resolved (subject to obtaining Shareholder approval) to issue 2,000,000 Shares the subject of this Resolution to Resource Global Finance Ltd or its nominee as consideration for the extension of a USD1,000,000 credit facility repayment date by Resource Global Finance Ltd (USD500,000 of which remains undrawn), details of which were released to the ASX on 11 October 2013. A copy of the release may be found at www.prosperity.net.au.

The following information is provided in accordance with Listing Rule 7.3:

1. A maximum of 2,000,000 Shares are to be issued.
2. The Shares will be issued within 3 months of the date of this Annual General Meeting.
3. The Shares the subject of this Resolution will be issued as consideration for the extension by Resource Global Finance Ltd of the repayment due date of a USD1,000,000 credit facility.
4. The Shares will be issued to Resource Global Finance Ltd or its nominee.
5. The Shares will be issued on the same terms as, and rank equally with, the existing issued Shares in the Company and application will be made for their quotation on ASX.

6. No funds will be raised by the issue of the Shares the subject of this resolution although the Company's liability to Resource Global Finance Ltd under the terms of the credit facility repayment due date extension will be satisfied by the issue.
7. The Company intends to issue the Shares within 5 days of the date of this Annual General Meeting.
8. The Company will disregard any votes cast on this Resolution by a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed, and any of their respective associates. However, the Company will not disregard the 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 the directions on the proxy form to vote as the proxy decides.

Resolution 4 – Issue of Shares to Resource Global Finance Ltd to satisfy RGF Loan Facility

Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities in any 12 month period which amounts to more than 15% of its ordinary securities without the approval of holders of its ordinary securities.

Equity securities issued with the approval of holders of a company's ordinary securities in accordance with Listing Rule 7.1 are not then required to be included in the 15% limit imposed by Listing Rule 7.1.

This Resolution seeks Shareholder approval for the issue of Shares to Resource Global Finance Ltd or its nominee to satisfy the Company's repayment obligations under the RGF Loan Facility.

As disclosed to the ASX on 11 October 2013, the terms of the RGF Loan Facility have been renegotiated such that repayments under the RGF Loan Facility may be satisfied by cash or the issue of Shares, at the option of Resource Global Finance Ltd.

As at the date of this Notice of Meeting, the Company owes Resource Global Finance Ltd USD500,000 under the RGF Loan Facility.

This Resolution seeks approval to allow the Company to issue Shares at the lower of \$0.006 or the VWAP for the 20 trading days prior to the 2013 Annual General Meeting to satisfy the repayment under the RGF Loan Facility in the three month period following the Annual General Meeting. The following information is provided in accordance with Listing Rule 7.3:

1. The maximum number of Shares to be issued pursuant to this Resolution is the number determined in accordance with the following formula:

$$A = \frac{B}{\$0.006}$$

Where **A** = the maximum number of Shares to be issued pursuant to this Resolution (provided that any issue pursuant to this Resolution must not result in Resource Global Finance Ltd's shareholding in the Company being greater than 19.9%); and

B = the AUD equivalent of USD500,000, determined using the prevailing USD/AUD exchange rate published by the Reserve Bank of Australia at the time of the issue of Shares.

2. Shares issued pursuant to this Resolution will be issued within 3 months of the date of this Annual General Meeting.
3. The Shares the subject of this Resolution will be issued to wholly or partially satisfy the principal outstanding owing by the Company under the RGF Loan Facility, at a deemed issue price of \$0.006 each.

4. The Shares will be issued to Resource Global Finance Ltd or its nominee.
5. The Shares will be issued on the same terms as, and rank equally with, the existing issued Shares in the Company and application will be made for their quotation on ASX.
6. No funds will be raised by the issue of the Shares the subject of this Resolution although the Company's liability to Resource Global Finance Ltd under the terms of the RGF Loan Facility will be wholly or partially satisfied by the issue.
7. Issue of the Shares may occur progressively during the three month period following the Annual General Meeting, depending on whether Resource Global Finance Ltd elects to have repayments under the RGF Loan Facility satisfied by the issue of Shares.
8. The Company will disregard any votes cast on this Resolution by a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed, and any of their respective associates. However, the Company will not disregard the 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 the directions on the proxy form to vote as the proxy decides.

Resolution 5 – Issue of a maximum of 100,000,000 Shares

Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities.

Equity securities issued with the approval of holders of a company's ordinary securities in accordance with Listing Rule 7.1 are not then required to be included in the 15% limit imposed by Listing Rule 7.1.

The Directors are of the view that the Company should actively seek out opportunities for acquisition of prospective tenement holdings or other relevant assets and wish to be in a position to fund appropriate acquisitions and provide for sufficient working capital to develop the Company's projects. The Company therefore seeks approval, pursuant to Listing Rule 7.1, to issue up to 100,000,000 Shares as consideration for such acquisitions or alternatively, to raise capital which can be used to fund acquisitions, develop the Company's projects or supplement working capital requirements.

If Shareholders approve this Resolution, the Directors will have the flexibility and discretion to issue up to 100,000,000 Shares for these purposes, without being restricted by the 15% limit imposed by Listing Rule 7.1 and without having to suffer delay or additional expense involved in convening another Annual General Meeting to obtain any Shareholder approval that would otherwise be required under Listing Rule 7.1. The following information is provided in accordance with Listing Rule 7.3:

1. A maximum of 100,000,000 Shares are to be issued.
2. The Shares will be issued within 3 months of the date of this Annual General Meeting.
3. The issue price for the Shares (or, in the case of an issue to satisfy an acquisition by the Company, the deemed issue price of the Shares) will be not less than 80% of the volume-weighted average Share price of all on-market trades of the Company's Shares on the ASX in the 5 ASX trading days immediately preceding the issue.
4. The names of the persons to whom the Company will issue Shares are not known at this time. The Shares will be issued to persons or entities identified by the Company and to which a disclosure document is not required to be provided by virtue of Part 6D.2 of the Corporations Act 2001. No related parties (within the meaning of the Corporations Act) will be issued Shares.
5. The Shares will be issued on the same terms as, and rank equally with, the existing issued Shares and application will be made for their quotation on ASX.

6. The purpose of the proposed issue is to raise additional working capital for the Company and/or to satisfy the consideration for acquisitions by the Company.
7. The Company will issue the Shares the subject of this resolution progressively throughout the 3 month period.
8. The Company will disregard any votes cast on this Resolution by a person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed, and any of their respective associates. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy directs.

Resolution 6 – Issue of Shares to Mr Mo Munshi

Background

The Board has determined, subject to obtaining Shareholder approval, to issue and issue a total of 26,121,000 Shares to Mr Mo Munshi, or his nominee, on the terms and conditions set out below.

The 26,121,000 Shares are to be issued to Mr Munshi (or his nominee) in lieu of cash payment, as remuneration for his role as Chairman and Managing Director of the Company (“Remuneration Shares”).

The number of Remuneration Shares has been calculated as follows:

Quantity	From	To	Average of the monthly VWASP*	Notional value of Remuneration Shares
26,121,000	1-Aug-12	30-Sep-13	1.34 cents	\$350,021

* VWASP = Volume-weighted average share price

The Board considers the grant of the Remuneration Shares to Mr Munshi to be reasonable, given the necessity to attract the highest calibre of professionals to the Company whilst maintaining the Company’s cash reserves. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Remuneration Shares on the terms proposed.

Shareholder Approval

Section 208 of the Corporations Act provides that, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

1. Obtain the approval of the public company’s members in the manner set out in Sections 217 to 227 of the Corporations Act; and
2. Give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

In addition, Listing Rule 10.11 also requires that Shareholder approval be obtained where an entity issues, or agrees to issue, equity securities to a related party, or a person whose relationship with the entity or a related party is, in ASX’s opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and Listing Rule 10.12 do not apply in the current circumstances.

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Accordingly, this Resolution seeks Shareholder approval as follows:

- (a) for the purposes of Listing Rule 10.11, for the issue of the Remuneration Shares; and
- (b) for the purposes of section 208 of the Corporations Act, for the issue of the Remuneration Shares, which constitutes the giving of a financial benefit, to Mr Munshi or his nominee.

Remuneration Shares – Listing Rule 10.11

The following information is provided in accordance with Listing Rule 10.13:

1. The related party is Mr Munshi who is a related party by virtue of being a Director.
2. A maximum of 26,121,000 Remuneration Shares are to be issued.
3. The Remuneration Shares and will be issued within 1 month of this Annual General Meeting.
4. The Remuneration Shares will be issued for nil consideration at a deemed issue price of 1.34 cents each.
5. The Remuneration Shares will be issued on the same terms as, and rank equally with, the existing issued Shares in the Company and application will be made for their quotation on ASX.
6. No funds will be raised by the issue of Remuneration Shares although the Company's liability to Mr Munshi in relation to his remuneration will be satisfied by the issue.

If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1, and the securities issued pursuant to this Resolution will not be included in the calculation of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

Section 208 of the Corporations Act – Remuneration Shares

The following information, in addition to the information contained in this Explanatory Statement (including Schedules 1 and 2) is provided in accordance with Section 219 of the Corporations Act:

1. Mr Munshi's current remuneration package is set out in Schedule 2 to this Explanatory Statement.
2. The Remuneration Shares have been valued by the Board at 1.34 cents each based on the volume weighted average Share price from 1 August 2012 up to and including 30 September 2013. Based on this valuation, the total notional value of the Remuneration Shares is \$350,021.
3. Mr Munshi's direct or indirect interest in securities in the Company is set out in Schedule 2 to this Explanatory Statement.
4. Assuming no other Shares are issued, the maximum dilution that will be experienced by Shareholders as a result of the issue to Mr Munshi of the Remuneration Shares is set out in Schedule 2 to this Explanatory Statement.
5. Mr Munshi declines to make a recommendation to Shareholders in relation to this Resolution due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of this Resolution, recommend that Shareholders vote in favour of the Resolution for the reasons set out in this Explanatory Statement. The Board (other than Mr Munshi) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

Voting Exclusion Statement

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

Resolution 7 – Issue of Performance Rights to Mr Mo Munshi

Background

The Board has determined, subject to obtaining Shareholder approval, to grant a total of 5,000,000 Performance Rights to Mr Mo Munshi, or his nominee, on the terms and conditions set out below.

The primary purpose of the grant of Performance Rights to Mr Munshi is to provide a market linked incentive package in his capacity as a Chairman of the Company and for the future performance by him in his role. The Board (other than Mr Munshi) considered the extensive experience and reputation of Mr Munshi, the current market price of Performance Rights and current market practices when determining the number of Performance Rights to be issued to Mr Munshi.

The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights on the terms proposed.

Shareholder Approval

Section 208 of the Corporations Act provides that, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

1. Obtain the approval the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
2. Give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

Further, ASX Listing Rule 10.14 requires that an entity must not permit a director or an associate of a director to acquire securities under an employee incentive scheme without the approval of holders of ordinary securities of the acquisition. If approval is obtained under LR 10.14, no further approval is required under Listing Rule 10.11.

The grant of Performance Rights to Mr Munshi, or his nominee, requires the Company to obtain Shareholder approval because the grant of Shares constitutes giving a financial benefit and as a Chairman, Mr Munshi is a related party of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Shares to Mr Munshi or his nominee for the purposes of Listing Rule 10.14 and section 208 of the Corporations Act.

Listing Rule 10.14

The following information is provided for the purposes of Listing Rule 10.15:

1. The related party is Mr Munshi who is a related party by virtue of being a Director.
2. A maximum of 5,000,000 Performance Rights are to be issued, and the maximum number of Shares to be issued upon vesting of the Performance Rights is 5,000,000.
3. The Performance Rights will be issued for nil consideration. Further, the Shares to be issued upon vesting of the Performance Rights will be issued for nil consideration.
4. A total of 8,000,000 Performance Rights have been issued under the Performance Rights Plan to Directors or related parties (or their respective nominees) since it was approved at the 2012 Annual General Meeting, with 5,000,000 Performance Rights issued to Mr Munshi or his nominee, and 1,000,000 Performance Rights issued to each of Mr Arbuckle, Mr Hempel and Mr Habriansyah (or their respective nominees). Each Performance Right was issued for nil consideration.
5. All Directors are entitled to participate in the Plan;

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6. Shares issued on vesting of the Performance Rights will be issued on the same terms as, and rank equally with, the existing issued Shares in the Company and application will be made for their quotation on ASX.
7. There is no loan applicable to the grant of the Performance Rights or the issue of the Shares upon vesting of the Performance Rights;
8. The Performance Rights will be issued within 12 months of the date of this Annual General Meeting;

Section 208 of the Corporations Act

The following information, in addition to the information contained in this Explanatory Statement (including Schedules 3 and 4) is provided in accordance with Section 219 of the Corporations Act:

1. Mr Munshi's current remuneration package is set out in Schedule 2 to this Explanatory Statement.
2. The value of the Performance Rights is effectively the value of an underlying Share. Therefore, based on the volume weighted average Share price for the 5 trading days prior to the date of this Notice of Annual General Meeting of \$0.0028, the notional value of the 5,000,000 Performance Rights is \$14,000. This is not necessarily a representative valuation at the proposed grant date. If the Share price is higher or lower than \$0.002 as at the grant date, this will affect the value of the Performance Rights. This valuation does not take into account transferability or restrictions, the vesting periods or any discount for the vesting conditions.
3. Mr Munshi's direct or indirect interest in securities in the Company is set out in Schedule 2 to this Explanatory Statement.
4. Assuming no other Shares are issued, the maximum dilution that will be experienced by Shareholders as a result of issue to Mr Munshi of the Performance Rights (assuming they vest) is set out in Schedule 2 to this Explanatory Statement.
5. Mr Munshi declines to make a recommendation to Shareholders in relation to this Resolution due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of this Resolution, recommend that Shareholders vote in favour of the Resolution for the reasons set out in this Explanatory Statement. The Board (other than Mr Munshi) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.
6. No funds will be raised by the issue of Performance Rights although the Company's liability to Mr Munshi in relation to his remuneration will be satisfied by the issue.

Voting Exclusion Statement

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

Resolution 8 – Issue of Shares to Mr John Arbuckle

Background

The Board has determined, subject to obtaining Shareholder approval, to issue a total of 2,463,000 Shares to Mr John Arbuckle, or his nominee, on the terms and conditions set out below.

The 2,463,000 Shares are to be issued to Mr Arbuckle (or his nominee) in lieu of cash payment, as remuneration for his role as Non-Executive Director of the Company ("Remuneration Shares").

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The number of Remuneration Shares has been calculated as follows:

Quantity	From	To	Average of the monthly VWASP*	Notional value of Remuneration Shares
2,463,000	1-Aug-12	30-Sep-13	1.42 cents	\$34,975

* VWASP = Volume-weighted average share price

The Board considers the grant of the Remuneration Shares to Mr Arbuckle to be reasonable, given the necessity to attract the highest calibre of professionals to the Company whilst maintaining the Company's cash reserves. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Remuneration Shares on the terms proposed.

Shareholder Approval

Section 208 of the Corporations Act provides that, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

1. Obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
2. Give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

In addition, Listing Rule 10.11 also requires that Shareholder approval be obtained where an entity issues, or agrees to issue, equity securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and Listing Rule 10.12 do not apply in the current circumstances.

Accordingly, this Resolution seeks Shareholder approval as follows:

- (a) for the purposes of Listing Rule 10.11, for the issue of the Remuneration Shares; and
- (b) for the purposes of section 208 of the Corporations Act, for the issue of the Remuneration Shares, which constitutes the giving of a financial benefit, to Mr Arbuckle or his nominee.

Remuneration Shares – Listing Rule 10.11

The following information is provided in accordance with Listing Rule 10.13:

1. The related party is Mr Arbuckle who is a related party by virtue of being a Director.
2. A maximum of 2,463,000 Remuneration Shares are to be issued.
3. The Remuneration Shares and will be issued within 1 month of this Annual General Meeting.
4. The Remuneration Shares will be issued for nil consideration at a deemed issue price of 1.42 cents each.
5. The Remuneration Shares will be issued on the same terms as, and rank equally with, the existing issued Shares in the Company and application will be made for their quotation on ASX.
6. No funds will be raised by the issue of Remuneration Shares although the Company's liability to Mr Arbuckle in relation to his remuneration will be satisfied by the issue.

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If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1, and the securities issued pursuant to this Resolution will not be included in the calculation of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

Section 208 of the Corporations Act – Remuneration Shares

The following information, in addition to the information contained in this Explanatory Statement (including Schedules 1 and 2) is provided in accordance with Section 219 of the Corporations Act:

1. Mr Arbuckle's current remuneration package is set out in Schedule 2 to this Explanatory Statement.
2. The Remuneration Shares have been valued by the Board at 1.42 cents each based on the volume weighted average Share price from 1 August 2012 up to and including 30 September 2013. Based on this valuation, the total notional value of the Remuneration Shares is \$34,975.
3. Mr Arbuckle's direct or indirect interest in securities in the Company is set out in Schedule 2 to this Explanatory Statement.
4. Assuming no other Shares are issued, the maximum dilution that will be experienced by Shareholders as a result of the issue to Mr Arbuckle of the Remuneration Shares is set out in Schedule 2 to this Explanatory Statement.
5. Mr Arbuckle declines to make a recommendation to Shareholders in relation to this Resolution due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of this Resolution, recommend that Shareholders vote in favour of the Resolution for the reasons set out in this Explanatory Statement. The Board (other than Mr Arbuckle) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

Voting Exclusion Statement

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

Resolution 9 – Issue of Performance Rights to Mr John Arbuckle

Background

The Board has determined, subject to obtaining Shareholder approval, to grant a total of 1,000,000 Performance Rights to Mr John Arbuckle, or his nominee, on the terms and conditions set out below.

The primary purpose of the grant of Performance Rights to Mr Arbuckle is to provide a market linked incentive package in his capacity as a Director of the Company and for the future performance by him in his role. The Board (other than Mr Arbuckle) considered the extensive experience and reputation of Mr Arbuckle, the current market price of Performance Rights and current market practices when determining the number of Performance Rights to be issued to Mr Arbuckle.

The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights on the terms proposed.

Shareholder Approval

Section 208 of the Corporations Act provides that, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

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1. Obtain the approval the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
2. Give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

Further, ASX Listing Rule 10.14 requires that an entity must not permit a director or an associate of a director to acquire securities under an employee incentive scheme without the approval of holders of ordinary securities of the acquisition. If approval is obtained under LR 10.14, no further approval is required under Listing Rule 10.11.

The grant of Performance Rights to Mr Arbuckle, or his nominee, requires the Company to obtain Shareholder approval because the grant of Shares constitutes giving a financial benefit and as a Director, Mr Arbuckle is a related party of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Shares to Mr Arbuckle or his nominee for the purposes of Listing Rule 10.14 and section 208 of the Corporations Act.

Listing Rule 10.14

The following information is provided for the purposes of Listing Rule 10.15:

1. The related party is Mr Arbuckle who is a related party by virtue of being a Director.
2. A maximum of 1,000,000 Performance Rights are to be issued, and the maximum number of Shares to be issued upon vesting of the Performance Rights is 1,000,000.
3. The Performance Rights will be issued for nil consideration. Further, the Shares to be issued upon vesting of the Performance Rights will be issued for nil consideration.
4. A total of 8,000,000 Performance Rights have been issued under the Performance Rights Plan to Directors or related parties (or their respective nominees) since it was approved at the 2012 Annual General Meeting, with 5,000,000 Performance Rights issued to Mr Munshi or his nominee, and 1,000,000 Performance Rights issued to each of Mr Arbuckle, Mr Hempel and Mr Habriansyah (or their respective nominees). Each Performance Right was issued for nil consideration.
5. All Directors are entitled to participate in the Plan;
6. Shares issued on vesting of the Performance Rights will be issued on the same terms as, and rank equally with, the existing issued Shares in the Company and application will be made for their quotation on ASX.
7. There is no loan applicable to the grant of the Performance Rights or the issue of the Shares upon vesting of the Performance Rights.
8. The Performance Rights will be issued within 12 months of the date of this Annual General Meeting;

Section 208 of the Corporations Act

The following information, in addition to the information contained in this Explanatory Statement (including Schedules 1 and 2) is provided in accordance with Section 219 of the Corporations Act:

1. Mr Arbuckle's current remuneration package is set out in Schedule 2 to this Explanatory Statement.
2. The value of the Performance Rights is effectively the value of an underlying Share. Therefore, based on the volume weighted average Share price for the 5 trading days prior to the date of this Notice of Annual General Meeting of \$0.0028, the notional value of the 1,000,000 Performance Rights is \$2,800. This is not necessarily a representative valuation at the proposed grant date. If the Share price is higher or lower than \$0.0028 as at the grant date, this will affect the value of the

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Performance Rights. This valuation does not take into account transferability or restrictions, the vesting periods or any discount for the vesting conditions.

3. Mr Arbuckle's direct or indirect interest in securities in the Company is set out in Schedule 2 to this Explanatory Statement.
4. Assuming no other Shares are issued, the maximum dilution that will be experienced by Shareholders as a result of issue to Mr Arbuckle of the Performance Rights (assuming they vest) is set out in Schedule 2 to this Explanatory Statement.
5. Mr Arbuckle declines to make a recommendation to Shareholders in relation to this Resolution due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of this Resolution, recommend that Shareholders vote in favour of the Resolution for the reasons set out in this Explanatory Statement. The Board (other than Mr Arbuckle) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.
6. No funds will be raised by the issue of Performance Rights although the Company's liability to Mr Arbuckle in relation to his remuneration will be satisfied by the issue.

Voting Exclusion Statement

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

Resolution 10 – Issue of Shares to Mr Sebastian Hempel

Background

The Board has determined, subject to obtaining Shareholder approval, to issue a total of 2,200,900 Shares to Mr Sebastian Hempel, or his nominee, on the terms and conditions set out below.

The 2,200,900 Shares are to be issued to Mr Hempel (or his nominee) in lieu of cash payment, as remuneration for his role as Non-Executive Director of the Company ("Remuneration Shares").

The number of Remuneration Shares has been calculated as follows:

Quantity	From	To	Average of the monthly VWASP*	Notional value of Remuneration Shares
2,200,900	1-Nov-12	30-Sep-13	1.25 cents	\$27,500

* VWASP = Volume-weighted average share price

The Board considers the grant of the Remuneration Shares to Mr Hempel to be reasonable, given the necessity to attract the highest calibre of professionals to the Company whilst maintaining the Company's cash reserves. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Remuneration Shares on the terms proposed.

Shareholder Approval

Section 208 of the Corporations Act provides that, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

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1. Obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
2. Give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

In addition, Listing Rule 10.11 also requires that Shareholder approval be obtained where an entity issues, or agrees to issue, equity securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and Listing Rule 10.12 do not apply in the current circumstances.

Accordingly, this Resolution seeks Shareholder approval as follows:

- (a) for the purposes of Listing Rule 10.11, for the issue of the Remuneration Shares; and
- (b) for the purposes of section 208 of the Corporations Act, for the issue of the Remuneration Shares, which constitutes the giving of a financial benefit, to Mr Hempel or his nominee.

Remuneration Shares – Listing Rule 10.11

The following information is provided in accordance with Listing Rule 10.13:

1. The related party is Mr Hempel who is a related party by virtue of being a Director.
2. A maximum of 2,200,900 Remuneration Shares are to be issued.
3. The Remuneration Shares and will be issued within 1 month of this Annual General Meeting.
4. The Remuneration Shares will be issued for nil consideration at a deemed issue price of 1.25 cents each.
5. The Remuneration Shares will be issued on the same terms as, and rank equally with, the existing issued Shares in the Company and application will be made for their quotation on ASX.
6. No funds will be raised by the issue of Remuneration Shares although the Company's liability to Mr Hempel in relation to his remuneration will be satisfied by the issue.

If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1, and the securities issued pursuant to this Resolution will not be included in the calculation of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

Section 208 of the Corporations Act – Remuneration Shares

The following information, in addition to the information contained in this Explanatory Statement (including Schedules 1 and 2) is provided in accordance with Section 219 of the Corporations Act:

1. Mr Hempel's current remuneration package is set out in Schedule 2 to this Explanatory Statement.
2. The Remuneration Shares have been valued by the Board at 1.25 cents each based on the volume weighted average Share price from 1 November 2012 up to and including 30 September 2013. Based on this valuation, the total notional value of the Remuneration Shares is \$27,500.
3. Mr Hempel's direct or indirect interest in securities in the Company is set out in Schedule 2 to this Explanatory Statement.
4. Assuming no other Shares are issued, the maximum dilution that will be experienced by Shareholders as a result of the issue to Mr Hempel of the Remuneration Shares is set out in Schedule 2 to this Explanatory Statement.
5. Mr Hempel declines to make a recommendation to Shareholders in relation to this Resolution due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have

a material interest in the outcome of this Resolution, recommend that Shareholders vote in favour of the Resolution for the reasons set out in this Explanatory Statement. The Board (other than Mr Hempel) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

Voting Exclusion Statement

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

Resolution 11 – Issue of Performance Rights to Mr Sebastian Hempel

Background

The Board has determined, subject to obtaining Shareholder approval, to issue a total of 1,000,000 Performance Rights to Mr Sebastian Hempel, or his nominee, on the terms and conditions set out below.

The primary purpose of the grant of Performance Rights to Mr Hempel is to provide a market linked incentive package in his capacity as a Director of the Company and for the future performance by him in his role. The Board (other than Mr Hempel) considered the extensive experience and reputation of Mr Hempel, the current market price of Shares and current market practices when determining the number of Performance Rights to be issued to Mr Hempel.

The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights on the terms proposed.

Shareholder approval

Section 208 of the Corporations Act provides that, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

1. Obtain the approval the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
2. Give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

Further, ASX Listing Rule 10.14 requires that an entity must not permit a director or an associate of a director to acquire securities under an employee incentive scheme without the approval of holders of ordinary securities of the acquisition. If approval is obtained under LR 10.14, no further approval is required under Listing Rule 10.11.

The grant of Performance Rights to Mr Hempel, or his nominee, requires the Company to obtain Shareholder approval because the grant of Performance Rights constitutes giving a financial benefit and as a Director, Mr Hempel is a related party of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Performance Rights to Mr Hempel or his nominee for the purposes of Listing Rule 10.14 and section 208 of the Corporations Act.

Listing Rule 10.14

The following information is provided for the purposes of Listing Rule 10.15:

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1. The related party is Mr Hempel who is a related party by virtue of being a Director.
2. A maximum of 1,000,000 Performance Rights are to be issued, and the maximum number of Shares to be issued upon vesting of the Performance Rights is 1,000,000.
3. The Performance Rights will be issued for nil consideration. Further, the Shares to be issued upon vesting of the Performance Rights will be issued for nil consideration.
4. A total of 8,000,000 Performance Rights have been issued under the Performance Rights Plan to Directors or related parties (or their respective nominees) since it was approved at the 2012 Annual General Meeting, with 5,000,000 Performance Rights issued to Mr Munshi or his nominee, and 1,000,000 Performance Rights issued to each of Mr Arbuckle, Mr Hempel and Mr Habriansyah (or their respective nominees). Each Performance Right was issued for nil consideration.
5. All Directors are entitled to participate in the Plan.
6. Shares issued on vesting of the Performance Rights will be issued on the same terms as, and rank equally with, the existing issued Shares in the Company and application will be made for their quotation on ASX.
7. There is no loan applicable to the grant of the Performance Rights or the issue of the Shares upon vesting of the Performance Rights;
8. The Performance Rights will be issued within 12 months of the date of this Annual General Meeting;

Section 208 of the Corporations Act

The following information, in addition to the information contained in this Explanatory Statement (including Schedules 1 and 2) is provided in accordance with Section 219 of the Corporations Act:

1. Mr Hempel's current remuneration package is set out in Schedule 2 to this Explanatory Statement.
2. The value of the Performance Rights is effectively the value of an underlying Share. Therefore, based on the volume weighted average Share price for the 5 trading days prior to the date of this Notice of Annual General Meeting of \$0.0028, the notional value of the 1,000,000 Performance Rights is \$2,800. This is not necessarily a representative valuation at the proposed grant date. If the Share price is higher or lower than \$0.0028 as at the grant date, this will affect the value of the Performance Rights. This valuation does not take into account transferability or restrictions, the vesting periods or any discount for the vesting conditions.
3. Mr Hempel's direct or indirect interest in securities in the Company is set out in Schedule 2 to this Explanatory Statement.
4. Assuming no other Shares are issued, the maximum dilution that will be experienced by Shareholders as a result of issue to Mr Hempel of the Performance Rights (assuming they vest) is set out in Schedule 2 to this Explanatory Statement.
5. Mr Hempel declines to make a recommendation to Shareholders in relation to this Resolution due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of this Resolution, recommend that Shareholders vote in favour of the Resolution for the reasons set out in this Explanatory Statement. The Board (other than Mr Hempel) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.
6. No funds will be raised by the issue of Performance Rights although the Company's liability to Mr Hempel in relation to his remuneration will be satisfied by the issue.

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution by the Directors, any person that will receive the securities the subject of this Resolution, and any of their respective associates. However, the

Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 12 – Issue of Shares to Mr Mufti Habriansyah

Background

The Board has determined, subject to obtaining Shareholder approval, to issue a total of 2,463,000 Shares to Mr Mufti Habriansyah, or his nominee, on the terms and conditions set out below.

The 2,463,000 Shares are to be issued to Mr Habriansyah (or his nominee) in lieu of cash payment, as remuneration for his role as Non-Executive Director of the Company (“Remuneration Shares”).

The number of Remuneration Shares has been calculated as follows:

Quantity	From	To	Average of the monthly VWASP*	Notional value of Remuneration Shares
2,463,000	1-Aug-12	30-Sep-13	1.42 cents	\$34,975

* VWASP = Volume-weighted average share price

The Board considers the grant of the Remuneration Shares to Mr Habriansyah to be reasonable, given the necessity to attract the highest calibre of professionals to the Company whilst maintaining the Company’s cash reserves. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Remuneration Shares on the terms proposed.

Shareholder Approval

Section 208 of the Corporations Act provides that, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

1. Obtain the approval of the public company’s members in the manner set out in Sections 217 to 227 of the Corporations Act; and
2. Give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

In addition, Listing Rule 10.11 also requires that Shareholder approval be obtained where an entity issues, or agrees to issue, equity securities to a related party, or a person whose relationship with the entity or a related party is, in ASX’s opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and Listing Rule 10.12 do not apply in the current circumstances.

Accordingly, this Resolution seeks Shareholder approval as follows:

- (a) for the purposes of Listing Rule 10.11, for the issue of the Remuneration Shares; and
- (b) for the purposes of section 208 of the Corporations Act, for the issue of the Remuneration Shares, which constitutes the giving of a financial benefit, to Mr Habriansyah or his nominee.

Remuneration Shares – Listing Rule 10.11

The following information is provided in accordance with Listing Rule 10.13:

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1. The related party is Mr Habriansyah who is a related party by virtue of being a Director.
2. A maximum of 2,463,000 Remuneration Shares are to be issued.
3. The Remuneration Shares and will be issued within 1 month of this Annual General Meeting.
4. The Remuneration Shares will be issued for nil consideration at a deemed issue price of 1.42 cents each.
5. The Remuneration Shares will be issued on the same terms as, and rank equally with, the existing issued Shares in the Company and application will be made for their quotation on ASX.
6. No funds will be raised by the issue of Remuneration Shares although the Company's liability to Mr Habriansyah in relation to his remuneration will be satisfied by the issue.

If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1, and the securities issued pursuant to this Resolution will not be included in the calculation of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

Section 208 of the Corporations Act – Remuneration Shares

The following information, in addition to the information contained in this Explanatory Statement (including Schedules 1 and 2) is provided in accordance with Section 219 of the Corporations Act:

1. Mr Habriansyah's current remuneration package is set out in Schedule 2 to this Explanatory Statement.
2. The Remuneration Shares have been valued by the Board at 1.42 cents each based on the volume weighted average Share price from 1 August 2012 up to and including 30 September 2013. Based on this valuation, the total notional value of the Remuneration Shares is \$34,975.
3. Mr Habriansyah's direct or indirect interest in securities in the Company is set out in Schedule 2 to this Explanatory Statement.
4. Assuming no other Shares are issued, the maximum dilution that will be experienced by Shareholders as a result of the issue to Mr Habriansyah of the Remuneration Shares is set out in Schedule 2 to this Explanatory Statement.
5. Mr Habriansyah declines to make a recommendation to Shareholders in relation to this Resolution due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of this Resolution, recommend that Shareholders vote in favour of the Resolution for the reasons set out in this Explanatory Statement. The Board (other than Mr Habriansyah) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

Voting Exclusion Statement

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

Resolution 13 – Issue of Performance Rights to Mr Mufti Habriansyah

Background

The Board has determined, subject to obtaining Shareholder approval, to issue a total of 1,000,000 Performance Rights to Mr Habriansyah, or his nominee, on the terms and conditions set out below. The primary purpose of the grant of Performance Rights to Mr Habriansyah is to provide a market linked

incentive package in his capacity as a Director of the Company and for the future performance by him in his role. The Board (other than Mr Habriansyah) considered the extensive experience and reputation of Mr Habriansyah, the current market price of Shares and current market practices when determining the number of Performance Rights to be issued to Mr Habriansyah.

The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights on the terms proposed.

Shareholder Approval

Section 208 of the Corporations Act provides that, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

1. Obtain the approval the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
2. Give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

Further, ASX Listing Rule 10.14 requires that an entity must not permit a director or an associate of a director to acquire securities under an employee incentive scheme without the approval of holders of ordinary securities of the acquisition. If approval is obtained under LR 10.14, no further approval is required under Listing Rule 10.11.

The grant of Performance Rights to Mr Habriansyah, or his nominee, requires the Company to obtain Shareholder approval because the grant of Performance Rights constitutes giving a financial benefit and as a Director, Mr Habriansyah is a related party of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Performance Rights to Mr Habriansyah or his nominee for the purposes of Listing Rule 10.14 and section 208 of the Corporations Act.

Listing Rule 10.14

The following information is provided for the purposes of Listing Rule 10.15:

1. The related party is Mr Habriansyah who is a related party by virtue of being a Director.
2. A maximum of 1,000,000 Performance Rights are to be issued, and the maximum number of Shares to be issued upon vesting of the Performance Rights is 1,000,000.
3. The Performance Rights will be issued for nil consideration. Further, the Shares to be issued upon vesting of the Performance Rights will be issued for nil consideration.
4. A total of 8,000,000 Performance Rights have been issued under the Performance Rights Plan to Directors or related parties (or their respective nominees) since it was approved at the 2012 Annual General Meeting, with 5,000,000 Performance Rights issued to Mr Munshi or his nominee, and 1,000,000 Performance Rights issued to each of Mr Arbuckle, Mr Hempel and Mr Habriansyah (or their respective nominees). Each Performance Right was issued for nil consideration.
5. All Directors are entitled to participate in the Plan.
6. Shares issued on vesting of the Performance Rights will be issued on the same terms as, and rank equally with, the existing issued Shares in the Company and application will be made for their quotation on ASX.
7. There is no loan applicable to the grant of the Performance Rights or the issue of the Shares upon vesting of the Performance Rights;

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8. The Performance Rights will be issued within 12 months of the date of this Annual General Meeting;

Section 208 of the Corporations Act

The following information, in addition to the information contained in this Explanatory Statement (including Schedules 1 and 2) is provided in accordance with Section 219 of the Corporations Act:

1. Mr Habriansyah's current remuneration package is set out in Schedule 2 to this Explanatory Statement.
2. The value of the Performance Rights is effectively the value of an underlying Share. Therefore, based on the volume weighted average Share price for the 5 trading days prior to the date of this Notice of Annual General Meeting of \$0.0028, the notional value of the 1,000,000 Performance Rights is \$2,800. This is not necessarily a representative valuation at the proposed grant date. If the Share price is higher or lower than \$0.0028 as at the grant date, this will affect the value of the Performance Rights. This valuation does not take into account transferability or restrictions, the vesting periods or any discount for the vesting conditions.
3. Mr Habriansyah's direct or indirect interest in securities in the Company is set out in Schedule 2 to this Explanatory Statement.
4. Assuming no other Shares are issued, the maximum dilution that will be experienced by Shareholders as a result of issue to Mr Habriansyah of the Performance Rights (assuming they vest) is set out in Schedule 2 to this Explanatory Statement.
5. Mr Habriansyah declines to make a recommendation to Shareholders in relation to this Resolution due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of this Resolution, recommend that Shareholders vote in favour of the Resolution for the reasons set out in this Explanatory Statement. The Board (other than Mr Habriansyah) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.
6. No funds will be raised by the issue of Performance Rights although the Company's liability to Mr Habriansyah in relation to his remuneration will be satisfied by the issue.

Voting Exclusion Statement

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

Glossary

AUD, \$, cents	means Australian dollars and cents.
ASX	means ASX Limited (ACN 008 624 691).
Board	means the current board of directors of the Company.
Closely Related Party	means, in respect of a member of KMP, a spouse or child of the member, a child of the member's spouse, a dependant of the member or of the member's spouse, anyone else who is one of the members' family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company or a company the member controls or a person
Company	means Prosperity Resources Limited (ACN 103 280 235).
Constitution	means the Company's constitution.
Corporations Act	means the Corporations Act 2001 (Cth).
Director	means a director of the Company.
Explanatory Statement	means this information attached to the Notice of Annual General Meeting, which provides information to Shareholders about the Resolutions contained in the Notice of Annual General Meeting.
Annual General Meeting	means the meeting convened by the Notice of Annual General Meeting.
KMP	means key management personnel of the Company
Listing Rules	means the Listing Rules of ASX.
Market Capitalisation	means the price per Share multiplied by the number of Shares on issue, from time to time
Notice of Annual General Meeting	means this Notice of Annual General Meeting including the Explanatory Statement.
Option	means an option to acquire a Share.
Option holder	means a holder of an Option.
Performance Right	means a right to acquire a Share on the terms and conditions set out in Schedule 1 to this Explanatory Statement, and in accordance with the Performance Rights Plan (as applicable).
Performance Rights Holder	means a holder of Performance Rights.
Performance Rights Plan or PRP	means the plan as referred to in this Notice of Annual General Meeting and summarised in the Explanatory Statement.
Resolution	means a Resolution contained in this Notice of Annual General Meeting.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of a Share.
USD	means United States dollars.
WST	means Western Standard Time.

Schedule 1 – Terms and conditions of Performance Rights the subject of Resolutions 7, 9, 11 & 13

Subject to the Performance Rights Plan, the Performance Rights entitle the Performance Rights Holder to receive Shares in the Company on the following terms and conditions:

- (a) In general, Performance Rights vest when the applicable performance hurdles and vesting conditions are satisfied.
- (b) The Performance Rights specified below vest subject to the Company's Market Capitalisation being at or above the Market Capitalisation hurdle for 20 consecutive trading days at any time after the issue of the Performance Rights and before the relevant expiry date.

Name	Director	Number of Performance Rights	Market Capitalisation hurdle (AUD)	Expiry date
Mr Mo Munshi	Director	2,000,000	5,000,000	30 June 2014
		2,000,000	10,000,000	31 December 2014
		1,000,000	20,000,000	30 June 2015
Mr John Arbuckle	Director	500,000	5,000,000	30 June 2014
		500,000	10,000,000	31 December 2014
Mr Sebastian Hempel	Director	500,000	5,000,000	30 June 2014
		500,000	10,000,000	31 December 2014
Mr Mufti Habriansyah	Director	500,000	5,000,000	30 June 2014
		500,000	10,000,000	31 December 2014

- (c) On vesting of a Performance Right, the Company will either issue or transfer to the participant a Share in the Company.
- (d) The Performance Rights will expire at 5.00pm (WST) on the respective expiry dates as detailed in paragraph (b) above (**Expiry Date**). Any Performance Right not vested before the Expiry Date will automatically lapse on the Expiry Date unless otherwise determined by the Board.
- (e) The Company will not apply for quotation of the Performance Rights on ASX. However, the Company will apply for quotation of all Shares issued upon vesting of Performance Rights.
- (f) If at any time the issued capital of the Company is reconstructed, all rights of a Performance Right holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (g) There are no participating rights or entitlements inherent in the Performance Rights and Performance Rights holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

Schedule 2 – supplementary information for Resolutions 6-13 (inclusive)

52-week trading history of the Shares on ASX	Price	Date	
Highest	4.0 cents	23 January 2013	
Lowest	0.2 cents	4 October 2013	
Last	0.2 cents	10 October 2013	
Directors' relevant interest in equity securities of the Company (as at the date of this Notice of Annual General Meeting)	Shares	Options	Performance Rights
Mr Mo Munshi	28,062,000	1,500,000	5,000,000
Mr John Arbuckle	1,500,000	-	1,000,000
Mr Sebastian Hempel	1,040,000	-	1,000,000
Mr Mufti Habriansyah	-	-	1,000,000
Directors' remuneration as at 30 September 2013	2012/2013	2011/2012	
Mr Mo Munshi	\$83,750	\$335,000	
Mr John Arbuckle	\$7,500	\$30,000	
Mr Sebastian Hempel	\$7,500	\$32,700	
Mr Mufti Habriansyah	\$7,500	\$30,000	
Dilution of existing Shareholders based on issued Shares as at the date of this Notice of Annual General Meeting of 408,104,180 (if Shares and Performance Rights the subject of Resolutions 6-13 (inclusive) issued and vest, and no other Shares issued or Performance Rights vest)			
Director	Shares & Performance Rights	Dilution	
Mr Mo Munshi	31,121,000	6.93%	
Mr John Arbuckle	3,463,000	0.77%	
Mr Sebastian Hempel	3,200,900	0.71%	
Mr Mufti Habriansyah	3,463,000	0.77%	
Total	41,247,900	9.18%	

PROSPERITY RESOURCES LTD

PROXY FORM

ACN 103 280 235

The Company Secretary
Prosperity Resources Ltd
100 Parry Street
Perth WA 6000

Email: info@prosperity.net.au

Facsimile: +61 8 9322 9485

Shareholder Details

Name:

Address:

Contact Telephone No:

Contact Name (if different from above)

Appointment of Proxy

I/We, being a Shareholder/s of Prosperity Resources Ltd and entitled to attend and vote hereby appoint

	The Chair of the Meeting (mark with an 'X')	OR	
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Write here the name of
the person you are
appointing if this person is
someone other than the
Chair of the Meeting.

or failing the person named, if no person is named, the Chair of the Meeting, as my/our proxy to attend and 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 Prosperity Resources Ltd to be held at 9.30 am (WST), on 28 November 2013 at the State Tennis Centre, Victoria Park Drive, Burswood, Western Australia, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions (provided, in the case of Resolutions 6 to 13 (inclusive), the Chair is expressly authorised to do so).

	If the Chair of the Annual General Meeting is appointed as your proxy, or may be appointed by default, and you do <u>not</u> wish to direct your proxy how to vote as your proxy in respect of the Resolutions please place a mark in this box.
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By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of the Resolutions and that votes cast by the Chair of the Annual General Meeting for the 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 Resolutions and your votes will not be counted in calculating the required majority if a poll is called on the Resolutions.

The Chair and any other member of key management personnel, or a Closely Related Party of such a member cannot vote undirected proxies on Resolutions 6 to 13 (inclusive), unless in the case of the Chair, they are expressly authorised to vote in accordance with their stated voting intentions. If you have appointed the Chairman or other member of key management personnel or their Closely Related Parties as your proxy, or in the case of the Chairman, he is appointed your proxy by default, your votes will not be counted towards Resolutions 6 to 13 (inclusive) unless you specifically direct the proxy how to vote. You can do this by marking either the "For", "Against" or "Abstain" box adjacent the relevant Resolutions below, or in the case of appointment of the Chairman as proxy by directing the Chairman to vote in accordance with his stated voting intentions for this resolution (as noted below), by marking the box below.

The Chair intends to vote all available proxies in favour of all Resolutions. I/We direct the Chair to vote in accordance with the Chair's voting intentions on Resolutions 6 to 13 (inclusive) and acknowledge that the Chair may exercise my/our proxy even though Resolutions 6 to 13 (inclusive) relates to the remuneration of Key Management Personnel, including the Chairman.

OR

Voting directions to your proxy – please mark to indicate your directions

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

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Issue of Shares to Resource Global Finance Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Issue of Shares to Resource Global Finance Ltd to satisfy RGF loan facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Issue of a maximum of 100,000,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Issue Shares to Mr Mo Munshi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Issue of Performance Rights to Mr Mo Munshi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Issue Shares to Mr John Arbuckle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Issue of Performance Rights to Mr John Arbuckle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 – Issue of Shares to Mr Sebastian Hempel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11 – Issue of Performance Rights to Mr Sebastian Hempel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12 – Issue of Shares to Mr Mufti Habriansyah	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13 – Issue of Performance Rights to Mr Mufti Habriansyah	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PLEASE SIGN HERE This section must be signed in accordance with the instructions below to enable your directions to be implemented

Individual or Shareholder 1	Shareholder 2	Shareholder 3
<input style="width: 100%; height: 40px;" type="text"/>	<input style="width: 100%; height: 40px;" type="text"/>	<input style="width: 100%; height: 40px;" type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Date: _____

Contact Name: _____

Contact Ph (daytime): _____

Instructions for Appointment of Proxy

1. A Shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the Shareholder's proxy. A proxy need not be a Shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the Shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the Shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the Shareholder or their attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed in accordance with its constitution or its duly authorised attorney. In the case of joint Shareholders, this proxy must be signed by each of the joint Shareholders, personally or by a duly authorised attorney.

4. If a proxy is executed by an attorney of a Shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies **must be received by the Company by 9.30am on 26 November 2013** by post, facsimile or email to the respective addresses stipulated in this proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the Resolutions stated above, then the following applies:
 - (a) The proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
 - (b) If the proxy has 2 or more appointments that specify different ways to vote on the Resolution, the proxy must not vote on a show of hands; and
 - (c) If the proxy is the Chair of the Meeting, the proxy must vote on a poll and must vote that way; and
 - (d) If the proxy is not the Chair of the Meeting, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.
7. If a proxy is also a Shareholder, the proxy can cast any votes the proxy holds as a Shareholder in any way that the proxy sees fit.