
ELDORE MINING CORPORATION LIMITED**ACN 110 884 262****NOTICE OF GENERAL MEETING**

TIME: 12 noon (WST)

DATE: 2 June 2011

PLACE: Esplanade River Suite Hotel
112 Melville Parade
Como, Western Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary Mr Neville Bassett on (+61 8) 9226 1246.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 12 noon (WST) on 2 June 2011 at:

Esplanade River Suite Hotel
112 Melville Parade
Como, Western Australia

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to ElDore Mining Corporation Limited, PO Box 8, West Perth, WA 6872; or
- (b) facsimile to the Company on facsimile number (+61 8) 9226 1257.

so that it is received not later than 12 noon (WST) on 31 May 2011.

Proxy Forms received later than this time will be invalid.

IMPORTANT NOTICES

Key Dates*

Company announces Acquisition and proposed change of scale	17 March 2011
Cut off for lodging proxy form for General Meeting	31 May 2011
Snapshot date for eligibility to vote at the General Meeting	31 May 2011
General Meeting to approve the change of scale and other matters	2 June 2011
ASX informed of Shareholder approvals	2 June 2011

*This timetable is indicative only and is subject to change. The directors of ElDore reserve the right to amend the timetable.

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders will be held at 12 noon (WST) on 2 June 2011 at Esplanade River Suite Hotel, 112 Melville Parade, Como, Western Australia.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 12 noon (WST) on 31 May 2011.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

1. RESOLUTION 1 – CHANGE TO SCALE OF ACTIVITIES

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

"That, subject to the passing of Resolution 2 and Resolution 5, for the purpose of ASX Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change to the scale of its activities as described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any 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 associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – CAPITAL RAISING

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

"That, subject to the passing of Resolution 1 and Resolution 5, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to:

(a) 700,000,000 Shares; and

(b) 700,000,000 free attaching Options on the basis of 1 Option for every 1 Share issued,

on the terms and conditions set out in the Explanatory Statement.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a

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

3. RESOLUTION 3 – APPROVAL TO ISSUE OPTIONS – JANUARY 2011 PLACEMENT

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 106,500,000 Options in accordance with the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form 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.

4. RESOLUTION 4 – APPROVAL TO ISSUE OPTIONS – \$0.001

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 330,000,000 Options in accordance with the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form 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.

5. RESOLUTION 5 – APPROVAL TO ISSUE CONVERTIBLE NOTES

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

“That, for the purposes of ASX Listing Rule 7.1, approval is given for the Directors to allot and issue up to 10,000,000 Convertible Notes in accordance with the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by the subscribers for these convertible notes and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if this Resolution is passed, and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form 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.

6. RESOLUTION 6 – APPROVAL TO ISSUE SHARES AND OPTIONS – ON CONVERSION OF CONVERTING LOAN

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

"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue Shares and free attaching Options on conversion of a loan of up to \$10,000,000 in accordance with the formula and the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form 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.

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – SHARES

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 121,500,000 Shares 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 participated in the issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form 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.

DATED: 3 MAY 2011
BY ORDER OF THE BOARD

A HAMILTON
DIRECTOR

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 12 noon (WST) on 2 June 2011 at:

Esplanade River Suite Hotel
112 Melville Parade
Como, Western Australia

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. OVERVIEW OF CHANGE OF ACTIVITIES

1.1 Background

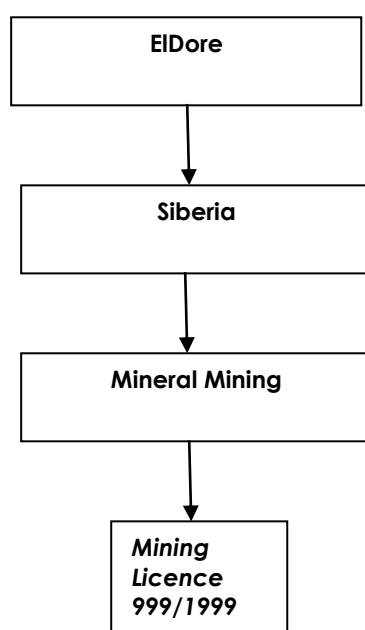
ElDore Mining Corporation Limited (**ElDore** or the **Company**) is an Australian public company listed on the official list of ASX (ASX code: EDM).

The Company has predominantly focused on copper and gold exploration in the Western Highlands of Papua New Guinea and Burkina Faso in West Africa.

The Company has entered into an agreement to acquire a 100% interest in Siberia Clearing (Geneva) Limited, a company incorporated in the British Virgin Islands (**Siberia**) (being the **Acquisition**).

On or before completion of the Acquisition, Siberia will acquire 100% of the issued shares in Mineral Mining SRL, a company incorporated in Romania, (**Mineral Mining**). On or before completion of the Acquisition, Mineral Mining will be the registered holder of the Baita Copper Mine (mining licence reference number 999/1999), located in Stej, Transylvania, West Romania.

Ownership of the Mine as a result of the Acquisition is reflected in the following diagram.



Upon completion of the Acquisition, the Company proposes to re-establish mining operations and seek to identify a JORC compliant resource on the Baita Copper Mine. On completion of the drilling program the Company then plans to upgrade the production facility and plant capacity, subject to a satisfactory outcome achieved by the drilling program.

1.2 Background to Change of Activities – Acquisition of Baita Copper Mine

On 17 March 2011, the Company announced to ASX that it had entered into an agreement with Far East Pacific Investments (**Far East**) pursuant to which the Company agreed to acquire 100% of the issued share capital in Siberia (**Acquisition Agreement**). On or before completion of the Acquisition, Siberia will own 100% of the issued share capital of Mineral Mining, which will be the registered holder of the Baita Copper Mine (mining licence reference number 999/1999).

Please refer to Section 1.5 of this Notice for further details regarding the terms of the proposed Acquisition.

In consideration for the Acquisition, the Company will pay to Far East a total of €15,000,000, as follows:

- (a) a deposit of €750,000; and
- (b) at the election of Far East, either:
 - (i) a cash payment of €14,250,000; and
 - (ii) up to the equivalent of €5,000,000 worth of Shares as partial payment for the amount referred to in (i) above. It is expected that any Shares will be issued at a deemed issue price representing 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before completion of the Acquisition. The deemed issue price will be converted from Euros at the prevailing exchange rate existing at the time of issue or as agreed by the Parties. The remaining balance is to be paid in cash, to a combined total value of €15,000,000. The Company intends to use its 15% placement capacity or seek Shareholder approval in advance to issue any Shares elected to be issued by Far East.

In addition to existing cash reserves, the Company proposes to finance the Acquisition through:

- (a) the issue of new Shares pursuant to the Capital Raising the subject of Resolution 2; and
- (b) the issue of Convertible Notes to raise up to \$10,000,000 pursuant to Resolution 5.

In addition, the Company has entered into an agreement with Zilenta Limited (a company incorporated in Cyprus) (**Zilenta**) on 14 February 2011 (**Introduction Agreement**), pursuant to which the Company agreed to issue to 50,000,000 shares (**Zilenta Shares**) in consideration for Zilenta introducing the Company to the Acquisition and due diligence support. The Zilenta Shares were issued to Zilenta on 28 February 2011.

The Introduction Agreement also provides that, subject to completion of the Capital Raising, the Company will pay to Zilenta a one-off fee of €200,000. The

Company intends to make the cash payment out of the funds raised from the Capital Raising.

As a result of the Acquisition, the Company will be changing the scale of its activities. Pursuant to the ASX Listing Rules, the Company is required to obtain Shareholder approval for the change in scale of its activities.

1.3 Background on the Baita Copper Mine

The Baita Copper Mine is located at the base of the Asupeni Mountains within the Transylvania region of West Romania, approximately 17km from the township of Stei. Stei is the nearest township and base for the mine's administration. Oradea is the closet major city with a population of approx 200,000 and is 83km to the southeast.

The Baita copper deposits at Stei were first mined by the Romanian Communist State in 1948. After the collapse of the Communist regime in 1988, the Mine was privatised. The Mine has been out of production since February 2010, and is on a basic care and maintenance program. Entry to the lower mining levels is gained via electrically powered cage to the 160 metre level or level 16, and then a second cage down a further 200 metres with both the main shafts concrete lined. The Mine has a total of 18 levels to a total depth of 360 metres and at the time of closure, mining was taking place on levels 16 and 18.

Level widths range from 2.2 metres to 5.5 metres generally being in very good condition although some showed sign of minor roof collapse onto timber support framework. There is readily visible copper mineralisation on levels 16 to 18 in the east, west, north and south facing shafts. Assays provided show concentrations of copper, gold, silver, molybdenum and various other in-demand metals.

The Mine also has a short railway system for moving ore to the screening area, then to the processing and concentrate plant comprising of first and second stage crushing systems, concentration units and separation plant.

Included in the Mine infrastructure is a large tailings dam approximately 5km from the Mine itself. The dam measures approximately 650 x 260 metres at the base and ranges in heights from 26.8 metres at the north end to 17.3 metres at the south end. This gives the tailings dam a size of approx 16 hectares with an estimated 4.6 million tonnes of material available for reprocessing. The tailings dam is well constructed and easily accessible for a range of reprocessing options with assays showing ranges of mineral content for a number of metals.

1.4 Cash Position Post Raisings and Expected Baita Expenditure in 2011

The Company currently has a cash balance of \$395,000. The Company intends to use the current funds and the funds raised from the issues of Securities of which Shareholder approval will be sought at the General Meeting, as follows.

Item	\$
Acquisition – payment to Far East	\$19,520,000 ¹
Expenses of the Capital Raising	\$1,649,000
Working capital	\$2,156
Total	\$23,325,000²

Notes:

¹. €14,250,000, based on a conversion rate of AUD0.73: EUR 1 as at 11 April 2011. This figure

assumes Far East elects to be paid entirely in cash, and not Shares. This figure does not include the deposit of €750,000 which has already been paid by the Company.

2. Assumes all securities the issue of which Shareholder approval is sought are made under Resolutions 2, 4, 5 and 6, to raise approximately \$22,930,000. For the purposes of calculating funds raised under Capital Raising (Resolution 2), assumes an issue price of \$0.018. For the purposes of calculating funds raised under issue of Convertible Notes (Resolution 5) and/or via Converting Loan facility (Resolution 6), assumes a maximum of \$10,000,000 is raised.

The above table is a statement of current intentions as at the date of this Notice. Future events may alter the manner in which funds are applied. In order to carry out any further work on the Baita Copper Mine the Company may be required to source additional funding.

1.5 Baita Copper Mine Acquisition Terms

Far East holds 100% of the issued capital in Siberia. On or before completion of the Acquisition, Siberia will own 100% of the issued share capital of Mineral Mining, which will be the registered holder of the Baita Copper Mine (mining licence reference number 999/1999).

Pursuant to the Acquisition Agreement the Company has agreed to acquire 100% of the issued share capital in Siberia from Far East (being the, **Acquisition**).

The consideration of the Acquisition is disclosed in Section 1.2 of this Notice of Meeting. The Acquisition Agreement contains the following conditions precedent:

- (a) completion of legal and financial diligence by the Company on Siberia and its assets;
- (b) Siberia acquiring 100% of the issued share capital, and therefore being the sole shareholder, of Mineral Mining;
- (c) Mineral Mining being the registered holder of the Baita Copper Mine (mining licence reference number 999/1999);
- (d) the debts of Siberia and/or Mineral Mining not exceeding €1,500,000 (with provision for any debts exceeding that amount being deducted from the consideration for the Acquisition (refer to Section 1.2));
- (e) the parties entering into a formal sale agreement in respect of the Acquisition (**Share Sale Agreement**); and
- (f) the Company obtaining Shareholder approval for the Company to undertake a change in the scale of its activities pursuant to Resolution 1.

The parties are currently negotiating execution of the formal Share Sale Agreement. Settlement of the Share Sale Agreement (and therefore the Acquisition) will be conditional on the Company having sufficient funds for the Acquisition

1.6 Pro-forma balance sheet

An unaudited pro-forma balance sheet of the Company following completion of the change of activities, Capital Raising and other matters is set out at Annexure A to this Notice of Meeting.

1.7 Pro-forma capital structure

The capital structure of the Company following the change to activities, Capital Raising and other matters is set out below:

SHARES	
Shares currently on issue	1,233,182,570
Shares issued pursuant to Capital Raising (Resolution 2)	700,000,000
TOTAL SHARES¹	1,933,182,570

Notes:

1. Assumes that Far East elects to be paid entirely in cash as consideration for the Acquisition (and does not elect any part payment in the form of Shares). Please refer to Section 1.2 for further details.

OPTIONS	
Options currently on issue exercisable at \$0.03 on or before 30 September 2011	35,115,384
Options currently on issue exercisable at \$0.03 on or before 31 December 2012	454,999,991
Free attaching Options issued pursuant to Resolution 2	700,000,000
Free attaching Options issued pursuant to Resolution 3	106,500,000
Options issued for \$0.001 pursuant to Resolution 4	330,000,000
TOTAL OPTIONS	1,626,615,375

CONVERTIBLE NOTES	
Convertible Notes currently on issue	Nil
Convertible Notes issued pursuant to Resolution 5	10,000,000
TOTAL CONVERTIBLE NOTES	10,000,000

1.8 Risk Factors

The risk profile of the Baita Cooper Mine is similar to that of the Company's existing projects which has previously been disclosed to Shareholders, as the Company would be continuing with mineral exploration.

However, Shareholders should be aware that if the Resolutions are approved, the Company will be changing the scale of its activities which is subject to various risk factors. Based on the information available, a non-exhaustive list of risk factors are as follows:

(a) **Sovereign**

As the Baita Copper Mine is located outside Australia it is subject to the risks associated in operating in a foreign country, in this instance Romania. These risks include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

The Company and its advisers will undertake all reasonable due diligence in assessing and managing the risks associated with mineral exploration and production in Romania. However, any future material adverse changes in government policies or legislation in foreign jurisdictions in which the Company has projects is outside the control of the Company. Such changes may affect foreign ownership, exploration, development or activities of companies involved in mining exploration and production and in turn may affect the viability and profitability of the Company.

(b) **Title**

As the Baita Copper Mine is located in Romania they are governed by the legislation in that jurisdiction. Interests in mining/exploration licences in Romania are evidenced by the granting of licences. Each licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in licences if these conditions are not met or if insufficient funds are available to meet expenditure commitments.

(c) **Recommendation of Operations**

The Mine's operations were suspended in February 2010. In recommencing operations, the Company will need to apply for a new environmental licence. This involves presenting a plan to the Romanian Environment Department outlining the Company's intentions regarding the proposed mining operations and the tailings dam. There is no guarantee that the licence will be granted which could have an adverse impact on the Company's ability to operate the Mine.

(d) **Exploration Success**

Shareholders should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the Baita Copper Mine, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing

government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Licences and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful, this could lead to a diminution in the value of the Baita Copper Mine, a reduction in the case reserves of the Company and possible relinquishment of the Baita Copper Mine.

(e) **Resource Estimates**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(f) **Commodity Price Volatility and Exchange Rate Risks**

If the Company achieves success leading to production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for copper, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(g) **Regulatory**

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company.

(h) **Additional Requirements for Capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in the future. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be.

(i) **Potential Acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

(j) **Economic Risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(k) **Market Conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(l) **Environmental**

The operations and proposed activities of the Company are subject to Romanian local and national laws and regulation concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

(m) **Competition Risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(n) **Insurance Risks**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(o) **Reliance on Key Management**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(p) **Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above may, in the future, materially affect the financial performance of the Company and the value of the Company's securities.

1.9 Directors' Recommendation

The directors of Eldore unanimously recommend that you vote in favour of all Resolutions. It is the view of the Eldore directors that the Acquisition will give the Company's Shareholders the opportunity to participate in a potentially significant exploration, development and production programme in respect of a highly prospective copper project.

1.10 Competent Person

The information in this Notice of Meeting which relates to Exploration Results of the Baita Copper Mine is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences ("**AIG**") and a Corporate Member of the Australasian Institute of Mining & Metallurgy ("**AusIMM**") and an independent consultant to the Company. Mr Maynard is the principal of Al Maynard & Associates Pty Ltd and has over 30 years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Maynard consents to inclusion in this Report of the matters based on his information in the form and context in which it appears.

2. RESOLUTION 1 – CHANGE IN SCALE OF ACTIVITIES

2.1 General

Resolution 1 seeks approval from Shareholders for a change to the scale of the

activities of the Company as a result of the Acquisition.

As outlined in Sections 1.2 and 1.5 of this Explanatory Statement, the Company has entered into the Acquisition Agreement under which the Company has agreed to acquire 100% of the Baita Copper Mine.

The Acquisition Agreement is subject to the conditions precedent set out in Section 1.5 above, including the requirement to obtain Shareholder approval.

A detailed description of the proposed Acquisition and the Baita Copper Mine is outlined in Section 1.3 above.

2.2 Legal requirements

ASX Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature and scale of its activities, it must provide full details to ASX as soon as practicable and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtains the approval of holders of its shares and any requirements of ASX in relation to the Notice of Meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the ASX Listing Rules as if the Company were applying for admission to the official list of ASX.

ASX has indicated to the Company that the Acquisition only requires the Company to obtain Shareholder approval for the purposes of ASX Listing Rule 11.1.2.

3. RESOLUTION 2 - CAPITAL RAISING

3.1 General

Resolution 2 seeks Shareholder approval to undertake the Capital Raising and therefore, for the allotment and issue of up to:

- (a) 700,000,000 Shares at an issue price of 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made; and
- (b) 700,000,000 free attaching Options on the terms and conditions set out in Schedule 1.

It is intended that the proceeds of the Capital Raising will be used to fund the Acquisition.

As outlined in Section 1.5 of this Explanatory Statement, the Acquisition Agreement is conditional upon the Company completing the Capital Raising.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 2 will be to allow the Directors to issue the Shares (and free attaching Options) pursuant to the Capital Raising during the period of 3 months

after the General Meeting (or a longer period, if allowed by ASX), without using the Company's annual 15% placement capacity.

3.2 Technical Information Required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Capital Raising:

- (a) the maximum number of Shares to be issued is 700,000,000 Shares;
- (b) the maximum number of free attaching Options to be issued is 700,000,000 Options;
- (c) the Securities will be issued no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (d) the issue price of the Shares is intended to be at least 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made;
- (e) the Options will be issued for nil cash consideration;
- (f) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (g) the Options will be issued on the terms and conditions set out in Schedule 1;
- (e) offers for the Securities under the Capital Raising will be made, subject to Shareholder approval, at the discretion of the Directors. To this end, recipients of the Securities are unknown as at the date of this Notice of Meeting. The recipients of the Securities will be sophisticated investors (within the meaning of Sections 708(8) and 708(11) of the Corporations Act, respectively), to whom the issue of securities does not require a disclosure document, and will not be related parties of the Company; and
- (f) the Company intends to use the amounts raised from the Capital Raising to fund the Acquisition as set out in Section 1.2 of the Explanatory Statement.

4. RESOLUTION 3 – APPROVAL TO ISSUE OPTIONS – FREE ATTACHING

4.1 General

On 12 January 2011, the Company announced it had completed a placement of 106,500,000 Shares at an issue price of \$0.01 per Share to raise \$1,065,000. At the time of the placement, the Company also agreed to issue 106,500,000 free attaching Options for all Shares issued (on a 1 for 1 basis), subject to obtaining Shareholder approval.

Resolution 3 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of the 106,500,000 free attaching Options. A summary of ASX Listing Rule 7.1 is set out in Section 3.1 above.

The effect of Resolution 3 will be to allow the Directors to issue the free attaching Options during the period of 3 months after the General Meeting (or a longer

period, if allowed by ASX), without using the Company's annual 15% placement capacity.

4.2 Technical Information Required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Options:

- (a) the maximum number of Options to be issued is 106,500,000 Options;
- (b) the Options will be issued no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) the Options will be issued for nil cash consideration;
- (d) the Options will be issued on the terms and conditions set out in Schedule 1;
- (e) the Options will be issued as free attaching Options to the Shareholders who participated in the placement of 106,500,000 Shares at \$0.01 per Share to raise \$1,065,000, completed on 12 January 2011. The participants were clients of Taylor Collison Limited, who assisted the Company with the placement. The participants were sophisticated investors (within the meaning of Sections 708(8) and 708(11) of the Corporations Act, respectively), to whom the issue of securities did not require a disclosure document, and who are not related parties of the Company; and
- (f) as the Options are being issued for nil cash consideration, no funds will be raised from the issue of the Options.

5. RESOLUTION 4 – APPROVAL TO ISSUE OPTIONS – \$0.001

5.1 General

Resolution 4 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of up to the 330,000,000 Options for an issue price of \$0.001 exercisable at \$0.03 each on or before 31 December 2012 to raise up to \$330,000. Should all the Options be exercised before the expiry date, a further \$9,900,000 will be raised. A summary of ASX Listing Rule 7.1 is set out in Section 3.1 above.

The effect of Resolution 4 will be to allow the Directors to issue Options during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's annual 15% placement capacity.

5.2 Technical Information Required by ASX Listing Rule 7.3

Pursuant to, and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Options:

- (a) the maximum number of Options to be issued is 330,000,000 Options;
- (b) the Options will be issued no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) the Options will be issued for \$0.001 each;

- (d) the Options will be issued on the terms and conditions set out in Schedule 1;
- (e) offers for the Options will be made, subject to Shareholder approval, at the discretion of the Directors. To this end, recipients of the Options are unknown as at the date of this Notice of Meeting. The recipients of the Securities will be sophisticated investors (within the meaning of Sections 708(8) and 708(11) of the Corporations Act, respectively), to whom the issue of securities does not require a disclosure document, and will not be related parties of the Company; and
- (f) the Company intends to use the amounts raised from the issue of the Options to fund the Acquisition and for working capital as set out in Section 1.2 of the Explanatory Statement.

6. RESOLUTION 5 – APPROVAL TO ISSUE CONVERTIBLE NOTES

6.1 Background

The Company wishes to raise up to \$10,000,000 through the issue of 10,000,000 unsecured convertible notes (**Convertible Notes**).

Resolution 5 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of the Notes. A summary of ASX Listing Rule 7.1 is set out in Section 3.1 above.

At the date of this Notice, the Company has not entered into any formal agreements to issue the Convertible Notes. Subject to Shareholder approval being obtained, the Company intends to enter into agreements on the terms set out in Schedule 2, in order to raise working capital, as the Board deems fit. The Company intends to raise up to \$10,000,000 either through the issue of the Convertible Notes, or by being advanced funds pursuant to the Converting Loan (refer to Resolution 6), or, or by raising funds under both facilities.

By seeking approval for the issue of the Convertible Notes (Resolution 5) and the issue of Shares and Options for the Converting Loan (Resolution 6), the Company will have the flexibility to pursue the optimum equity/debt structure as required. As only \$10,000,000 is intended to be raised, it is that unlikely all Convertible Notes and/or all Shares and Options on conversion of the Converting Loan, will be issued.

None of the subscribers for the Convertible Notes will be related parties of the Company.

The effect of Resolution 5 will be to allow the Directors to issue the Convertible Notes during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

The issue of the Convertible Notes will be conditional upon the Company obtaining Shareholder approval pursuant to this Resolution 5.

6.2 Technical information required by ASX Listing Rule 7.1

The following information is provided for Resolution 5 pursuant to and in accordance with ASX Listing Rule 7.3:

- (a) the maximum number of Convertible Notes to be issued is 10,000,000 with a face value of \$1.00 each;
- (b) the Convertible Notes will be issued no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any

ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;

- (c) offers for the Convertible Notes will only be made subject to and following receipt of Shareholder approval, at the discretion of the Directors. To this end, recipients of the Convertible Notes are unknown as at the date of this Notice of Meeting. The recipients of the Convertible Notes will be sophisticated investors (within the meaning of Sections 708(8) and 708(11) of the Corporations Act, respectively), to whom the issue of securities will not require a disclosure document, and will not be related parties of the Company;
- (d) the Convertible Notes will be issued on the terms and conditions set out in Schedule 2;
- (e) the Shares and Options issued on conversion of the Convertible Notes will be issued on the terms and conditions set out in Schedule 2; and
- (f) funds raised from the issue of the Convertible Notes will be used towards funding the Acquisition.

7. RESOLUTION 6 – APPROVAL TO ISSUE SHARES AND OPTIONS – ON CONVERSION OF CONVERTING LOAN

7.1 General

Resolution 6 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of Shares and free attaching Options (on the basis of 1 Option for every 1 Share issued) on conversion of a converting loan of up to \$10,000,000 (**Converting Loan**)

A summary of ASX Listing Rule 7.1 is set out in Section 3.1 above.

At the date of this Notice, the Company has not entered into any formal agreement for the Converting Loan. However it is intended that Converting Loan will be unsecured, and interest free, and otherwise on normal commercial and arm's length terms. The Company intends to raise up to \$10,000,000 either by being advanced funds pursuant to the Converting Loan, or through the issue of the Convertible Notes, or by raising funds under both facilities.

By seeking approval for the issue of the Convertible Notes (Resolution 5) and the issue of Shares and Options for the Converting Loan (Resolution 6), the Company will have the flexibility to pursue the optimum equity/debt structure as required. As only \$10,000,000 is intended to be raised, it is unlikely that all Convertible Notes and/or all Shares and Options on conversion of the Converting Loan, will be issued.

The effect of Resolution 6 will be to allow the Directors to issue the Shares and free attaching Options during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's annual 15% placement capacity. Should the Company wish to convert the Converting Loan outside of this 3 month period, it will either seek Shareholder approval or convert the Converting Loan under available 15% capacity.

7.2 Technical Information Required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Shares and free attaching Options:

- (a) the maximum number of Shares to be issued on conversion of the Converting Loan is that number of Shares which, when multiplied by the issue price, equals \$10,000;
- (b) the maximum number of Options to be issued on conversion of the Converting Loan is the same amount of any Shares issued, on the basis of one (1) free attaching Option for every one (1) Shares issued;
- (c) the deemed issue price for the Shares will be calculated by reference to at least 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the conversion takes place and Shares are issued;
- (d) the Options will be issued for nil cash consideration;
- (e) the Shares and Options will be issued no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (f) the Options will be issued on the terms and conditions set out in Schedule 1;
- (h) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (g) the Shares and Options will be issued to a lender or lenders, pursuant to the Converting Loan. As stated above the Company has not entered into a Converting Loan Agreement To this end, recipients of the Shares and Options are unknown as at the date of this Notice of Meeting. The recipients of the Shares and Options will be sophisticated investors (within the meaning of Sections 708(8) and 708(11) of the Corporations Act, respectively), to whom the issue of securities will not require a disclosure document, and will not be related parties of the Company. Furthermore, the terms of the Converting Loan will prohibit a lender from being issued Shares on conversion of the Converting Loan with the effect that the lender (and its associates) would hold a relevant interest exceeding 20% or more in the issued share capital of the Company, unless the issue of Shares to the lender/s satisfy any of the exemptions in Section 611 of the Corporations Act; and
- (a) funds advanced under the Converting Loan will be used towards funding the Acquisition. As the Shares and Options will satisfy the loan, no funds will be raised from their issue.

8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – SHARES

8.1 General

The Company seeks Shareholder approval Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of a number of Shares, as detailed in Section 8.2(a) (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 5.1 of this Explanatory Statement.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made

pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

8.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

(a) a total of 121,500,000 Shares were allotted, as follows:

Date	Shares	(Deemed)/Issue Price	Allottees	Purpose
12/01/2011	106,500,000	\$0.01	Clients of Taylor Collison	Exploration and working capital
23/02/2011	10,000,000	(\$0.011)	Taycol Nominees PTY Ltd Rosepoint Capital PTY LTD	Consideration for consulting and capital raising fees
28/02/2011	5,000,000 ¹	\$0.013	Clients of Taylor Collison	Exploration, pursuit of potential acquisitions and working capital

Notes:

1. On 28/02/2011 the Company issued a total of 305,000,000. 300,000,000 Shares were issued pursuant to Shareholder approval obtained on 29 November 2010. 5,000,000 Shares were issued under the Company's 15% capacity.

(b) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and

(c) none of the allottees were a related party of the Company.

9. ENQUIRIES

Shareholders are required to contact the Company Secretary, Mr Neville Bassett on (+ 61 8) 9226 1246 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Acquisition means the acquisition by the Company of 100% of the Baita Copper Mine.

Acquisition Agreement means the agreement entered into between the Company and Far East dated on or around 17 March 2011 under which the Company agreed to acquire 100% of the issued share capital in Siberia.

Announcement Date means the date on which the Company made public the Acquisition, being 17 March 2011.

Baita Copper Mine means the copper mine the subject of the Acquisition as referred to in Section 1.3.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Capital Raising means the offer by the Company to allot and issue of up to 700,000,000 Shares together with 700,000,000 free attaching Options, as proposed in Resolution 2.

Company means Eldore Mining Corporation Limited (ACN 110 884 262).

Constitution means the Company's constitution.

Convertible Notes means a note issued by the Company convertible into Shares and free attaching Options on the terms and conditions set out in Section 6 and Schedule 2.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

EUR means euros.

Far East means Far East & Pacific Investments (a company incorporated in the British Virgin Islands).

General Meeting means the meeting convened by the Notice of Meeting.

JORC Code means Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Noteholder means a holder of a Convertible Note as the context requires.

Notice of Meeting or **Notice of General Meeting** or **Notice** means this notice of general meeting including the Explanatory Statement.

Option means an option to acquire a Share.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Securities means Shares or Options.

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

Shareholder means a holder of a Share.

Siberia means Siberia Clearing (Geneva) Limited (a company incorporated in the British Virgin Islands).

WST means Western Standard Time as observed in Perth, Western Australia.

Zilenta means Zilenta Limited (a company incorporated in Cyprus).

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

The terms and conditions of the Options are as follows:

- (a) Each Option entitles the holder to subscribe for and be allotted one ordinary fully paid share in the Company.
- (b) The Options are exercisable at \$0.03 each.
- (c) The Options will expire on 31 December 2012 (the **Expiry Date**).
- (d) The Options are exercisable at any time on or prior to the Expiry Date by notice in writing to the directors of the Company accompanied by payment of the exercise price.
- (e) The Options are freely transferable.
- (f) All shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then existing ordinary fully paid shares. The Company will apply for Official Quotation by the ASX of all shares issued upon exercise of the Options.
- (g) There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options. However, if from time to time on or prior to the Expiry Date the Company makes an issue of new shares to the holders of ordinary fully paid shares, the Company will send a notice to each holder of Options at least nine (9) Business Days before the record date referable to that issue. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (h) If from time to time on or prior to the Expiry Date the Company makes an issue of shares to the holders of ordinary fully paid shares in the Company by way of capitalisation of profits or reserves (a **bonus issue**), then upon exercise of their Options, Optionholders will be entitled to have issued to them (in addition to the shares which would otherwise be issued to them upon such exercise) the number of shares of the class which would have been issued to them under that bonus issue (**bonus shares**) if on the record date for the bonus issue they had been registered as the holder of the number of shares of which they would have been registered as holder if, immediately prior to that date, they had duly exercised their Options and the shares the subject of such exercise had been duly allotted and issued to them. The bonus shares will be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the bonus issue and upon issue will rank pari passu in all respects with the other shares allotted upon exercise of the Options.
- (i) There is no right to a change in the exercise price of the Options or to the number of shares over which the Options are exercisable in the event of a new issue of capital (other than a bonus issue) during the currency of the Options.
- (j) In the event of any reorganisation of the issued capital of the Company on or prior to the Expiry Date, the rights of an Optionholder will be changed to the extent necessary to comply with the applicable ASX Listing Rules in force at the time of the reorganisation.

SCHEDULE 2 – TERMS AND CONDITIONS OF CONVERTIBLE NOTES

Face Value	\$1.00 per Convertible Note.
Conversion formula	On conversion, every one (1) Convertible Note will convert into: (a) ordinary fully paid shares in the Company with reference to the Face Value divided by that amount representing 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the conversion and issue is made; and (b) One (1) free attaching Option or every one (1) Share issued, each exercisable at \$0.04 on or before 31 December 2013.
Limit on Convertible Notes and Shares on Conversion of Convertible Notes	The Noteholder is prohibited from being issued Shares on conversion of the Convertible Note with the effect that the Noteholder (and its associates) would hold a relevant interest exceeding 20% or more in the issued share capital of the Company, unless the issue of Shares to the Noteholders satisfy any of the exemptions in Section 611 of the Corporations Act.
Repayment Date	The first to occur of: (a) the date a Convertible Note is converted into Shares (and free attaching Options); (b) a date to be determined by the board when the Convertible Note Deed is entered into; and (c) any earlier date on which the Company is required to repay the Convertible Note under the terms of the Convertible Notes.
Interest Rate	No interest is payable.
Conversion rights	Quarterly.
Ranking on Conversion	Each Share issued on conversion of Convertible Notes, will rank equally with all existing Shares then on issue, except that they will not be entitled to any dividend that has been declared or determined but not paid as at the conversion date.
Early Redemption Rights	Upon the occurrence of a change in control, sale of main undertaking or an event of default.
Participation rights	Before conversion, Noteholders are not entitled to participate in rights issues, any return of capital, bonus issue or capital reconstruction. However, the conversion ratio will be adjusted in a manner that is consistent with the ASX Listing Rules.
Voting rights	Noteholders are not entitled to vote at general meetings unless provided for by the ASX Listing Rules or the Corporations Act.

Security and subordination	The Convertible Notes will be unsecured.
Listing on ASX	The Convertible Notes will not be listed.
Conditions	The placement of the Convertible Notes will be subject to receipt of Shareholder approval and any other regulatory or third party approvals required by the Company or the proposed Noteholder.

ANNEXURE A – PRO-FORMA BALANCE SHEET - ELDORE

Unaudited pro-forma consolidated statement of financial position following the Acquisition and the other matters proposed in the Notice, prepared on the basis of the audit reviewed accounts of the Company as at 31 December 2010, is set out below.

	Note	Audit Reviewed 31 December 2010 \$'000	Pro-Forma Balance Sheet \$'000
CURRENT ASSETS			
Cash and cash equivalents	i, ii, iii, iv, v, vii, viii(b), viii(e)	1,089	3,223
Trade and other receivables	viii(e)	1,868	3,375
Total Current Assets		<u>2,957</u>	<u>6,598</u>
NON-CURRENT ASSETS			
Capitalised exploration and evaluation expenditure	v, vi, vii	3,347	25,959
Total Non-Current Assets		<u>3,347</u>	<u>25,959</u>
Total Assets		<u>6,304</u>	<u>32,557</u>
CURRENT LIABILITIES			
Trade and other payables	vi, viii(a), viii (b)	2,242	3,122
Borrowings	ii	-	10,000
Total Current Liabilities		<u>2,242</u>	<u>13,122</u>
Total Liabilities		<u>2,242</u>	<u>13,122</u>
Net Assets		<u>4,062</u>	<u>19,435</u>
EQUITY			
Issued capital	i, iv, viii(a) viii(b), viii(c), viii(d)	19,354	35,321
Reserves	iii	1,036	1,366
Accumulated losses		(16,328)	(17,252)
Total Equity		<u>4,062</u>	<u>19,435</u>

The above pro forma Balance Sheet has been prepared on the basis that there have been no material movements in the assets and liabilities of the Company between 31 December 2010 and the completion of the Acquisition, except:

- i) the issue of 700,000,000 Shares, together with 700,000,000 free attaching Options (Resolution 2) to raise \$12,600,000 (before expenses of the raising);
- ii) the issue of Convertible Notes (Resolution 5) and/or Converting Loan facility (Resolution 6) to a maximum sum of \$10,000,000 (before expenses of the raising);
- iii) the issue of 330,000,000 Options to raise \$330,000 (before expenses of the raising);
- iv) expenses of the fund raising of approximately \$1,649,000 of which \$1,375,000 has been offset against proceeds of the issue and \$274,000 expensed;
- v) the payment of the deposit for the acquisition of \$1,037,000 (€750,000);
- vi) the assumption of debt on acquisition of €1,500,000 (\$2,055,000);

- vii) the cost of the acquisition €14,250,000 (\$19,520,000);
- viii) the following material transactions since 31 December 2010:
 - (a) the transfer of funds of \$1,065,000 from trade and other payables on the allotment and issue of 106,500,000 Shares;
 - (b) the issue of 255,000,000 Shares at an issue price of 1.3 cents each, to raise \$2,917,000 net of expenses;
 - (c) the issue of 50,000,000 Shares at an issue price of 1.3 cents each, in satisfaction of a project introduction fee and due diligence support fee;
 - (d) the issue of 10,000,000 Shares at an issue price of 1.1 cents each, in satisfaction of consulting and capital raising fees; and
 - (e) loan funds to other entities of \$1,507,000.

PROXY FORM

**APPOINTMENT OF PROXY
ELDORE MINING CORPORATION LIMITED
ACN 110 884 262**

GENERAL MEETING

I/We

of

being a member of Eldore Mining Corporation Limited entitled to attend and vote at the General Meeting, hereby

Appoint

Name of proxy

OR

☐

the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at 12 noon (WST), on 2 June 2011 at Esplanade River Suite Hotel, 112 Melville Parade, Como, Western Australia and at any adjournment thereof.

Voting on Business of the General Meeting

Resolution 1 – Change to scale of activities

FOR **AGAINST** **ABSTAIN**

☐☐☐

Resolution 2 – Capital Raising

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Resolution 3 – Approval to issue Options – January 2011 Placement

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Resolution 4 – Approval to issue Options – \$0.001

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Resolution 5 – Approval to issue Convertible Notes

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Resolution 6 – Approval to issue Shares and Options – on Conversion of Converting Loan

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Resolution 7 – Ratification of prior issue – Shares

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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 to be counted in computing the required majority on a poll.

Signature of Member(s):

Date: _____

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

ELDORE MINING CORPORATION LIMITED
ACN 110 884 262

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at a General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Eldore Mining Corporation Limited, PO Box 8, West Perth, WA 6872;
or
 - (b) facsimile to the Company on facsimile number (+61 8) 9226 1257.

so that it is received not later than 12 noon (WST) on 31 May 2011.

Proxy Forms received later than this time will be invalid.