21 August 2009

ASX ANNOUNCEMENT

The Company Announcements Office
Australian Stock Exchange Limited

Via E lodgement

Shareholder meeting to consider changes to your Board

As set out in the Company's announcement to ASX on 17 August 2009, Blaze International Limited (**Blaze**) has received a copy of various documents in relation to a general meeting of Blaze called by Colbern Nominees Pty Ltd (**Colbern Nominees**) and Blaze has been advised by the lawyers for Colbern Nominees that the documents have also been sent to you as shareholders of Blaze.

Proposed resolutions

Colbern Nominees has proposed resolutions to be put forward at the shareholders' meeting seeking the removal of all of your Board and the appointment of nominees of Colbern Nominees in their place. Colbern Nominees has not advised Blaze of any reason for the proposed resolutions and has not provided Blaze any information in relation to the proposed candidates.

Colbern Nominees has called meetings to consider similar resolutions in relation to two other ASX listed companies, Prime Minerals Limited and Power Resources Limited. Copies of letters sent by Prime Minerals Limited and Power Resources Limited to their shareholders are *enclosed* with this letter for your information.

Information in relation to Colbern Nominees

The sole shareholder, director and secretary of Colbern Nominees is Mr Marc Clifton. Colbern Nominees acquired its shares in Blaze together with options in Blaze in relation to the acquisition by Blaze in 2007 of all of the shares in a company called Yeelirrie Minerals Pty Ltd. Colbern Nominees has disclosed to ASX that it holds shares in Blaze on behalf of the Colbern Trust. Colbern Nominees, however, has not disclosed to ASX who it holds the shares on trust for.

Mr Marc Clifton is the stepson of Mr Dan Matich. Mr Dan Matich is the principal of D&L Tenement Services Pty Ltd which until recently was Blaze's tenement manager, being paid a fee of $2,300 plus GST per month plus expenses. Blaze has recently replaced D&L Tenement Services as its tenement manager and is paying the new tenement manager $345 per month.

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Background on nominees for Board

In 2007 and 2008 a company owned by Mr Brett Matich received consultancy and advisory fees from Blaze totalling $200,000 plus GST. This company also received 10,000,000 shares in Blaze in a placement in early 2007 shortly before the acquisition of Yeelirrie Minerals Pty Ltd. Mr Matich's father-in-law was the sole director and secretary of Yeelirrie Minerals Pty Ltd at the time it was acquired by Blaze.

Mr Warren Dunne is a close friend of Mr Paul Matich, the father of Dan and Brett Matich. Mr Dunne is a co-director with me on another company, Power Resources Limited. Mr Dunne has previously told me that he manages a car park in Fremantle. At a Board meeting of Power Resources Limited on 29 July 2009 I asked Mr Dunne if he had any corporate or mining experience and his answer was no.

Your Board is unable to provide you with any information about Mr Robert Franzen other than the information set out in the meeting documents prepared by Colbern Nominees.

The position of your current directors

Pursuant to section 203D of the *Corporations Act* members of your current Board have the right to request Blaze to distribute a statement to all shareholders in relation to the proposed resolutions to remove them as directors. To ensure that there can be no suggestion that your current Board are seeking to use their position on the Board to support their own re-election statements by the current directors will be sent to you separately prior to the shareholder meeting.

Clarification in meeting documents

Your Board takes the opportunity to clarify the following matters set out in the meeting documents prepared on behalf of Colbern Nominees:

1 The meeting documents state that Colbern Nominees is 'disappointed with the lack of activity and progression of the Company'. The Board notes that Colbern Nominees' first nominee as a director, Mr Brett Matich, received consultancy and advisory fees from Blaze totalling $200,000 plus GST in 2007 and 2008.

2 The meeting documents state that Colbern Nominees has 'lost faith in the current Board'.

The Board notes that Mr Clifton, the sole director, secretary and shareholder of Colbern Nominees has never contacted the Board expressing any concerns with the management of the Company, nor has any member of your Board ever even spoken to Mr Clifton.

3 The meeting documents that you have been sent ask you to send a copy of your completed proxy form to Colbern Nominees care of Blakiston & Crabb lawyers.

For your proxy to be valid it needs to be received by Blaze. A copy does not need to be sent to Blakiston & Crabb.

4 Resolution 7 on the Notice of General Meeting seeks the removal of any directors appointed to Blaze between 5 August 2009 and the time of commencement of the shareholders' meeting.

This proposed resolution is invalid as a matter of law and will not be put to shareholders.

I welcome the opportunity to discuss any queries shareholders have in relation to this matter. Alternatively, written queries can be directed to your Board by email at reception@smspl.com.au

Yours sincerely

Vincent Hyde
Executive Chairman