



VENTUREX RESOURCES LIMITED

ABN 28 122 180 205

NOTICE OF ANNUAL GENERAL MEETING

TIME: 3.00pm (WST)

DATE: 26 November 2010

PLACE: Harcourts Building
125 Cambridge Street
West Leederville WA 6007
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 on (+61 8) 6389 7400

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 3.00pm (WST) on 26 November 2010 at:

Harcourts Building
125 Cambridge Street
West Leederville WA 6007
Western Australia

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

To vote in person, attend the Annual 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) in person to Venturex Resources Limited, Suite 3, Level 1, 127 Cambridge Street, West Leederville WA 6007; or
- (b) post to Venturex Resources Limited, c/- PO Box 1444, West Leederville WA 6901; or
- (c) facsimile to the Company on facsimile number (+61 8) 9463 7836; or
- (d) email to admin@venturexresources.com in pdf form,

so that it is received not later than 3.00pm (WST) on 24 November 2010.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 3.00pm (WST) on 26 November 2010 at Harcourts Building, 125 Cambridge Street, West Leederville, Western Australia.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual 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 Annual General Meeting are those who are registered Shareholders of the Company at 5.00pm (WST) on 24 November 2010.

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

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2010 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purpose 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 2010.”

2. RESOLUTION 2 – NON-EXECUTIVE DIRECTORS' REMUNERATION

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

“That, for the purposes of clause 20.10 of the Constitution of the Company, ASX Listing Rule 10.17 and all other purposes, the Company approves the maximum total aggregate amount that may be paid to Non-Executive Directors as remuneration for their services in each financial year to be set at \$300,000 which may be divided among those Directors in the manner determined by the Board of the Company from time to time.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by a Director of the Company and any of their associates. 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 – RE-ELECTION OF ANTHONY WILLIAM KIERNAN AS A DIRECTOR

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

“That, for the purpose of clause 20.6 of the Constitution and for all other purposes, Mr Anthony William Kiernan, a Director who was appointed on 14 July 2010, retires, and being eligible, is re-elected as a Director.”

4. RESOLUTION 4 – RE-ELECTION OF ALLAN TRENCH AS A DIRECTOR

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

“That, for the purpose of clause 22.1 of the Constitution and for all other purposes, Dr Allan Trench, a Director who retires by rotation, and being eligible, is re-elected as a Director.”

5. RESOLUTION 5 – APPROVAL FOR THE ISSUE OF OPTIONS TO ANTHONY WILLIAM KIERNAN

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

“That, subject to the passing of Resolution 3, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 3,000,000 Director Options to Mr Anthony William Kiernan (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 Mr Anthony William Kiernan (or his nominee) or any of his 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 – ADOPTION OF EMPLOYEE OPTION SCHEME

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 7.2 (Exception 9) and for all other purposes, approval is given to adopt the Company’s employee incentive option scheme and to issue securities under that scheme on the terms and conditions summarised in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associate of that person. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

DATED: 22 OCTOBER 2010

BY ORDER OF THE BOARD

A handwritten signature in blue ink, appearing to read 'Liza Carpane', with a stylized flourish at the end.

LIZA CARPENE
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 3.00pm (WST) on 26 November 2010 at Harcourts Building, 125 Cambridge Street, West Leederville, 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. 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 2010 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

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 online at www.venturexresources.com.

2. 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 2010.

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

3. RESOLUTION 2 – NON-EXECUTIVE DIRECTORS' REMUNERATION

ASX Listing Rule 10.17 and clause 20.10 of the Company's Constitution require that the maximum total aggregate remuneration that may be paid to Non-Executive Directors of the Company be set by the Shareholders in general meeting.

Resolution 2 seeks Shareholder approval to increase the maximum total aggregate remuneration that may be paid to Non-Executive Directors by \$100,000 to \$300,000 per annum. This has been determined after reviewing similar companies listed on ASX and the Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

It is noted that it is not presently intended to distribute all of the \$300,000 (if approved) in the current year, rather it will assist in accommodating any increase in the number of Directors and provide the flexibility to allow payment of appropriate fees over time.

The Directors, other than the Non-Executive Directors of the Company, recommend that Shareholders vote in favour of this resolution.

4. RESOLUTION 3 – RE-ELECTION OF ANTHONY WILLIAM KIERNAN AS A DIRECTOR

Clause 20.5 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Corporations Act.

Any Director so appointed holds office only until the next following general meeting and is then eligible for re-election.

Mr Anthony William Kiernan was appointed as a director of the Company on 14 July 2010 and being eligible seeks re-election.

5. RESOLUTION 4 – RE-ELECTION OF DR ALLAN TRENCH AS A DIRECTOR

Clause 22.1 of the Constitution requires that one third (or the number nearest one-third) of the 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 without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been the longest in office since their last election or appointment, but, as between persons who became Directors on the same day, those to retire shall, in default of agreement between them, be determined by drawing lots.

A Director who retires by rotation under clause 22.1 of the Constitution is eligible for re-election.

Dr Allan Trench retires by rotation and seeks re-election.

6. RESOLUTIONS 5 – APPROVAL OF DIRECTOR OPTIONS

6.1 General

The Company has agreed, subject to obtaining Shareholder approval, to allot and issue 3,000,000 Options (**Director Options**) to Mr Anthony William Kiernan (or his nominee) (**Related Party**) on the terms and conditions set out below:

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:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) 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, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, 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 ASX Listing Rule 10.12 applies.

The grant of the Director Options to the Related Party requires the Company to obtain Shareholder approval because the grant of Director Options constitutes giving a financial benefit and as a Director, Mr Anthony William Kiernan 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 and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Director Options to the Related Party.

6.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Director Options:

- (a) the related party is Mr Anthony William Kiernan, a Director of the Company;
- (b) the maximum number of Director Options (being the nature of the financial benefit being provided) to be granted to the Related Party is 3,000,000 Director Options;
- (c) the Director Options will be granted to the Related Party no later than 1 month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Director Options will be issued on one date;
- (d) the Director Options will be granted for no consideration, accordingly no funds will be raised from the issue;
- (e) the Director Options are issued on the following terms and conditions and otherwise on the terms and conditions set out in Schedule 1:

No. of Director Options	Vesting Date	Exercise Price	Expiry Date
3,000,000	Date of Issue	50% premium to the VWAP of Venturex shares in the last five trading days on which there were sales prior to the date of issue, with a minimum floor exercise price of 15 cents per option	Three years from date of issue

- (f) the value of the Director Options for Resolution 5 and the pricing methodology is set out in Schedule 2;
- (g) the relevant interests of the Related Party in securities of the Company are set out below:

Related Party	Shares	Options
Anthony William Kiernan	750,000	Nil

- (h) the remuneration and emoluments from the Company to the Related Party since their date of appointment is set out below:

Related Party	\$
Anthony William Kiernan	17,903

- (i) if the Director Options granted to the Related Party are exercised, a total of 3,000,000 Shares would be allotted and issued. This will increase the number of Shares on issue from 655,168,741 to 658,168,741 (assuming that no other Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted as follows:

Related Party	Issued Shares as at the date of this Notice of Meeting	Director Options to be issued	Issued Shares upon exercise of all Director Options	Dilutionary effect upon exercise of Director Options
Anthony William Kiernan	655,168,741	3,000,000	658,168,741	0.0046%

The market price for Shares during the term of the Director Options would normally determine whether or not the Director Options are exercised. If, at any time any of the Director Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Director Options, there may be a perceived cost to the Company;

- (j) any funds raised through the exercise of the Director Options will be allocated towards the Company's general working capital;
- (k) the trading history of the Shares on ASX in the 12 months before the date of this Notice of Annual General Meeting is set out below:

	Price	Date
Highest	\$0.115	24-31 March 2010
Lowest	\$0.060	1, 2 & 9 February 2010
Last	\$0.095	21 October 2010

- (l) the primary purpose of the grant of Director Options to Mr Anthony William Kiernan is to provide cost effective consideration for his ongoing commitment and contribution to the Company in his role as a Director. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Director Options upon the terms proposed;
- (m) the Board acknowledges the grant of Director Options to Mr Anthony William Kiernan is contrary to Recommendation 8.2 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the grant of Director Options to Mr Anthony William Kiernan reasonable in the circumstances, given the necessity to attract the highest calibre of professionals to the Company, whilst maintaining the Company's cash reserves.
- (n) Mr Anthony William Kiernan declines to make a recommendation to Shareholders in relation to Resolution 5 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 Resolution 5, recommend that Shareholders vote in favour of Resolution 5. The Board (other than Mr Anthony William Kiernan) 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.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Director Options to the Related Party will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

7. RESOLUTION 6 – ADOPTION OF EMPLOYEE OPTION SCHEME

7.1 Background

As part of its review of appropriate remuneration for management and key personnel, the Board considers that it is appropriate to adopt an employee incentive option scheme (**Scheme**). The objective of the Scheme is to provide the Company with a remuneration mechanism to motivate and reward the performance of management and key personnel and align their interests with the interests of Shareholders.

The Scheme will replace the Company's existing employee share option plan which was previously approved.

7.2 Requirement for Shareholder Approval

Resolution 6 seeks Shareholder approval under exception 9(b) of ASX Listing Rule 7.2 to allow the issue of Options under the Scheme (**Scheme Options**) as an exception to ASX Listing Rule 7.1.

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.

ASX Listing Rule 7.2 sets out exceptions to ASX Listing Rule 7.1. Exception 9(b) of ASX Listing Rule 7.2 provides that a company may make an issue of securities under an employee incentive scheme (such as the Scheme) if, within three years before the date of issue, holders of ordinary securities in the company have approved the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 6 is passed, the Company will have the ability to issue Scheme Options to eligible participants under the Scheme over a period of three years without impacting on the Company's 15% placement capacity under ASX Listing Rule 7.1.

7.3 Information required by the ASX Listing Rules

The following information is provided to satisfy the requirements of the ASX Listing Rules:

- (a) no Options have been issued under the Company's existing employee share option plan since the date of its approval on 27 November 2007; and

- (b) the main terms of the Scheme are summarised below and a full copy of the Scheme is available for inspection at the Company's registered office until the date of the Annual General Meeting.

7.4 Summary of terms of the Scheme

- (a) **Eligibility**

The Board may invite full or part time employees and directors of the Company or an Associated Body Corporate of the Company to participate in the Scheme (**Eligible Employee**).

Eligible Employees do not possess any right to participate in the Scheme, as participation is solely determined by the Board.

- (b) **Offer of Scheme Options**

The Scheme will be administered by the Board which may, in its absolute discretion, offer Scheme Options to any Eligible Employee from time to time as determined by the Board and, in exercising that discretion, may have regard to some or all of the following considerations:

- (i) the Eligible Employee's length of service with the Company;
- (ii) the contribution made by the Eligible Employee to the Company;
- (iii) the potential contribution of the Eligible Employee to the Company; or
- (iv) any other matter the Board considers relevant.

- (c) **Number of Scheme Options**

The number of Scheme Options to be offered to an Eligible Employee will be determined by the Board in its discretion and in accordance with the rules of the Scheme and applicable law.

- (d) **Conversion**

Each Scheme Option is exercisable into one Share in the Company ranking equally in all respect with the existing issued Shares in the Company.

- (e) **Consideration**

Scheme Options issued under the Scheme will be issued for no consideration.

- (f) **Exercise price**

The exercise price for Scheme Options offered under the Scheme will be determined by the Board.

- (g) **Exercise conditions**

The Board may impose conditions, including performance-related conditions, on the right of a participant to exercise Scheme Options granted under the Scheme.

(h) **Exercise of Scheme Options**

A participant in the Scheme will be entitled to exercise their Scheme Options in respect of which the exercise conditions have been met provided the Scheme Options have not lapsed and the exercise of the Scheme Options will not result in the Company contravening ASIC Class Order 03/184. A holder may exercise Scheme Options by delivering an exercise notice to the Company Secretary along with the Scheme Options certificate, and paying the applicable exercise price of the Scheme Options multiplied by the number of Scheme Options proposed to be exercised.

Within ten Business Days of receipt of the required items, the Company will, subject to the ASX Listing Rules, issue to the participant the relevant number of Shares.

(i) **Cessation of employment**

If the participant in the Scheme ceases to be an employee or director of, or render services to, the Company or an Associated Body Corporate for any reason (other than by death, permanent disability or permanent retirement from the workforce) prior to the lapse of the Scheme Options, and the exercise conditions attaching to the Scheme Options have been met, the participant will be entitled to exercise their Scheme Options in accordance with the Scheme for a period of up to 28 days after the date of the cessation event.

(j) **Lapse of Scheme Options**

Scheme Options held by a participant in the Scheme will lapse immediately if:

- i. the Scheme Options have not been exercised by the date which is determined by the Board in its discretion at the time of issue of the Scheme Options;
- ii. the exercise conditions attaching to the Scheme Conditions are unable to be met; or
- iii. the holder ceases to be an employee or director of the Company or an Associated Body Corporate and does not exercise the Scheme Option within a period of three months after the ceasing date, or such further date determined by the Board.

(k) **Death, permanent disability, retirement or redundancy**

If the participant in the Scheme dies, becomes permanently disabled, is made redundant or permanently retires from the workforce as an employee or director of, or consultant to, the Company prior to the lapse of the Scheme Options, the participant, or the participant's legal personal representative, will be entitled to exercise their Scheme Options in accordance with the Scheme rules for the period commencing on the date of the cessation event and ending on the first to occur of the date of lapsing of the Scheme Options and the date which is six months after the date of the cessation event.

(l) **Participation in Rights Issues and Bonus Issues**

The Scheme Options granted under the Scheme do not give the holder any right to participate in rights issues or bonus issues unless Shares are allotted pursuant to the exercise of the relevant Scheme Options prior to the record date for determining entitlements to such issue. The number of Shares issued on the exercise of Scheme Options will be adjusted for bonus issues made prior to the exercise of the Scheme Options.

(m) **Reorganisation**

The terms upon which the Scheme Options will be granted will not prevent the Scheme Options being reorganised as required by the ASX Listing Rules on the reorganisation of the capital of the Company.

(n) **Limitation on offers**

If the Company makes an offer under the Scheme where:

- i. the total number of Shares to be received on exercise of Scheme Options the subject of that offer exceeds the limit set out in ASIC Class Order 03/184; or
- ii. the Offer does not otherwise comply with the terms and conditions set out in ASIC Class Order 03/184,

the Company must comply with Chapter 6D of the Corporations Act at the time of that offer.

(o) **Trigger event**

If any of the following events occur:

- (i) the Company is subject to a takeover bid;
- (ii) the Company proposes a scheme of arrangement with its members under Part 5.1 of the Corporations Act; or
- (iii) a person, or group of associated persons, becomes entitled to sufficient Shares to give him or them the ability, in general meeting, to replace all or a majority of the Board, where such ability was not already held by a person associated with such a person or group of persons,

then the Board may:

- (iv) determine that Scheme Options may be exercised at any time from the date of such event so as to permit the holder to participate in the change of control arising from the event; or
- (v) use its reasonable endeavours to procure that an offer is made to holder of Scheme Options on like terms to the terms proposed in such event.

8. ENQUIRIES

Shareholders are required to contact the Company Secretary on (+61 8) 6389 7400 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

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.

Company means Venturex Resources Limited (ABN 28 122 180 205).

Constitution means the Company's constitution.

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

Director Option means an Option granted to a Director.

Directors means the directors of the Company.

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

Notice of Meeting or **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.

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

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

Shareholder means a holder of a Share.

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

SCHEDULE 1 – TERMS OF OPTIONS – RESOLUTION 5

The terms of the Options issued pursuant to Resolutions 5 inclusive are as follows:

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

- (a) Each Option entitles the holder to subscribe for one ordinary fully paid Share.
- (b) The Options expire on the date that is three (3) years after the date the Options are issued.
- (c) The Options will vest immediately upon issue.
- (d) Each Share allotted on exercise of an Option shall be issued at the exercise price of a 50% premium to the VWAP of Venturex shares in the last five trading days on which there were sales prior to the date of issue, with a minimum floor exercise price of 15 cents per option.
- (e) The issue price of a Share the subject of an Option shall be payable in full on exercise of the Option by the Eligible Person (or, if applicable, their nominee).
- (f) The Company will not apply for official quotation of the Options on ASX. The Options are non-transferrable.
- (g) Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option holder to exercise all or a specified number of Options, accompanied by the relevant Option Certificate (if any) and a cheque made payable to Company for the subscription price for the Shares.
- (h) An exercise of only some Options shall not affect the rights of the Option holder under the balance of the Options held by him or her as appropriate.
- (i) Company shall allot the resultant Shares and deliver notification of share holdings within five business days of the exercise of an Option.
- (j) Shares allotted pursuant to an exercise of Options shall rank from the date of allotment, equally with existing Shares of the Company in all respects.
- (k) The Company shall in accordance with the Listing Rules make application to have Shares allotted pursuant to an exercise of Options listed for official quotation by the ASX.
- (l) The Option holder will be permitted to participate in any new pro-rata issue of securities of the Company subject to the prior exercise of the Options, in which case the Option holder will be notified by the Company of the proposed pro-rata issue at least 9 business days before the books closing date (to determine entitlements to the issue) and afforded that period to exercise the Options.
- (m) In the event of any reorganisation (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the rights of an Option holder will be changed to the extent necessary to comply with the listing rules of the ASX applying to a reorganisation of capital at the time of the reorganisation.
- (n) The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.

SCHEDULE 2 – VALUATION OF DIRECTOR OPTIONS – RESOLUTION 5

The Director Options to be issued to the Related Party pursuant to Resolution 5 have been valued by internal management.

Using the theoretical Black & Scholes option model and based on the assumptions set out below, the Director Options were ascribed a value, as follows:

Resolution 5 – Director Options issued to Anthony William Kiernan

Assumptions:	
Valuation date	21 October 2010
Market price of Shares	\$0.095
Exercise price	\$0.15
Expiry date	26 November 2013
Life of Options (Months)	36
Risk free interest rate	6.50%
Volatility	93%
Black-Scholes Valuation per Option	\$0.0497304
Discount for unlisted status	5%
Indicated value per Option	\$0.0472439
Number of Director Options	3,000,000
TOTAL VALUE	\$141,731.58

Note: The valuations noted above are not necessarily the market prices that the Director Options could be traded at and they are not automatically the market prices for taxation purposes.

PROXY FORM

**APPOINTMENT OF PROXY
VENTUREX RESOURCES LIMITED
ABN 28 122 180 205**

ANNUAL GENERAL MEETING

I/We
of

being a member of Venturex Resources Limited entitled to attend and vote at the Annual General Meeting, hereby
Appoint

Name of proxy

OR

☐

the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual 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 it, at the Annual General Meeting to be held at 3.00pm (WST), on 26 November 2010 at Harcourts Building, 125 Cambridge Street, West Leederville, Western Australia, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

☐

If the Chair of the Annual General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of **Resolutions 1, 2, 5 and 6** (inclusive) please place a mark in this box.

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 Resolutions 1, 2, 5 and 6 and that votes cast by the Chair of the Annual General Meeting for Resolutions 1, 2, 5 or 6 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 Resolutions 1, 2, 5 or 6 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1, 2, 5 or 6.

OR

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of Remuneration Report	☐	☐	☐
Resolution 2 – Increase in Non-Executive Director Remuneration	☐	☐	☐
Resolution 3 – Re-Election of Anthony William Kiernan as a Director	☐	☐	☐
Resolution 4 – Re-Election of Allan Trench as a Director	☐	☐	☐
Resolution 5 – Approval for the Issue of Options to Anthony William Kiernan	☐	☐	☐
Resolution 6 – Adoption of Employee Option Scheme	☐	☐	☐

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

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Contact Name: _____ Contact Ph (daytime): _____

VENTUREX RESOURCES LIMITED
ABN 28 122 180 205

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at an Annual 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 must 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 Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual 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 Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) in person to Venturex Resources Limited, Suite 3, Level 1, 127 Cambridge Street, West Leederville WA 6007; or
 - (b) post to Venturex Resources Limited, c/- PO Box 1444, West Leederville WA 6901; or
 - (c) facsimile to the Company on facsimile number (+61 8) 9463 7836; or
 - (d) email to admin@venturexresources.com in pdf form,

so that it is received not later than 3.00pm (WST) on 24 November 2010.

Proxy Forms received later than this time will be invalid.