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**EMMERSON RESOURCES LIMITED**

**ABN 53 117 086 745**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 4:00 pm (CST)

**DATE:** 29 November 2010

**PLACE:** Tennant Creek Battery Hill and Mining Centre  
Peko Road  
TENNANT CREEK NT 0860

*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) 9381 7838.*



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**TIME AND PLACE OF MEETING AND HOW TO VOTE**

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**VENUE**

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The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 4:00pm (CST) on 29 November 2010 at:

Tennant Creek Battery Hill and Mining Centre  
Peko Road  
TENNANT CREEK NT 0860

**YOUR VOTE IS IMPORTANT**

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

**VOTING IN PERSON**

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

**VOTING BY PROXY**

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

- (a) post to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001, Australia; or
- (b) facsimile to the Computershare Investor Services Pty Limited on facsimile number (within Australia) 1800 783 447, or (outside Australia) +61 3 9473 2555,

so that it is received not later than 4:00pm (CST) on 27 November 2010.

**Proxy Forms received later than this time will be invalid.**

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders will be held at 4:00pm (CST) on 29 November 2010 at Tennant Creek Battery Hill and Mining Centre, Peko Road, Tennant Creek, Northern Territory.

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 4:00pm (CST) on 27 November 2010.

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

### AGENDA

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#### 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.

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#### 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.”*

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#### 2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ANDREW MCILWAIN

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 13.2 of the Constitution and for all other purposes, Andrew McIlwain, a Director who retires by rotation, and being eligible, is re-elected as a Director.”*

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**3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – SIMON ANDREW**

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 13.2 of the Constitution and for all other purposes, Simon Andrew, a Director who retires by rotation, and being eligible, is re-elected as a Director.”*

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**4. RESOLUTION 4 – INCENTIVE 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(b)) and for all other purposes, approval is hereby given for the grant of options under the Company’s Incentive Option Scheme and the issue of fully paid ordinary shares in the capital of the Company pursuant to those options, from time to time upon the terms and conditions specified in the rules of the Incentive Option Scheme (which are summarised in the Explanatory Statement) as an exception to ASX Listing Rule 7.1”.*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any Director, other than any Director who is ineligible to participate in the Employee Share Option Plan, and any associates of those directors. 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.

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**DATED: 25 OCTOBER 2010**

**BY ORDER OF THE BOARD**



**SHANE VOLK  
COMPANY SECRETARY  
EMMERSON RESOURCES LIMITED**

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## **EXPLANATORY STATEMENT**

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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 4:00pm (CST) on 29 November 2010 at Tennant Creek Battery Hill and Mining Centre, Peko Road, Tennant Creek, Northern Territory.

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.

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### **1. FINANCIAL STATEMENTS AND REPORTS**

In accordance with the Company 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's Auditor will also attend the meeting (via telephone) and shareholders will be given the opportunity to ask questions about the conduct of the audit, the preparation and content of the Auditors Report, the accounting policies adopted by the Company and the independence of the Auditor.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. These amendments may result in reducing the Company's printing costs. Shareholders will be given the opportunity to ask questions and to make comments on the report and the management and performance of the Company.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on the ASX company announcements page at [asx.com.au](http://asx.com.au) (Company Code: ERM), or the Company's website at [emersonresources.com.au](http://emersonresources.com.au).

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### **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.

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**3. RESOLUTION 2 – RE-ELECTION OF MR. ANDREW MCILWAIN AS A DIRECTOR**

Clause 13.2 of the Company's Constitution requires that at the Company's Annual General Meeting on third of all Directors, excluding the Managing Director shall retire by rotation and are eligible for re-election. ASX Listing Rule 14.4 stipulates that a Director can not hold office (without re-election) past the third Annual General Meeting following the Directors appointment or 3 years, whichever is longer.

Mr. McIlwain retires in accordance with clause 13.2 of the Company's constitution and, being eligible for re-election, offers himself for re-election at the Annual General Meeting.

Mr. McIlwain was initially appointed as a director and inaugural Chairman of the Board on 1 February, 2007 and re-elected at the 2008 Annual General Meeting. Mr. McIlwain holds a Bachelor of Engineering Degree and currently also serves as Chairman and non-executive director of ASX listed Verus Investments Limited.

The Company's Directors (other than Mr. McIlwain) recommend that shareholders vote in favour of Resolution 2.

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**4. RESOLUTION 3 – RE-ELECTION OF MR. SIMON ANDREW AS A DIRECTOR**

Clause 13.2 of the Company's Constitution requires that at the Company's Annual General Meeting on third of all Directors, excluding the Managing Director shall retire by rotation and are eligible for re-election. ASX Listing Rule 14.4 stipulates that a Director can not hold office (without re-election) past the third Annual General Meeting following the Directors appointment or 3 years, whichever is longer.

Mr. Andrew retires in accordance with clause 13.2 of the Company's constitution and, being eligible for re-election, offers himself for re-election at the Annual General Meeting.

Mr. Andrew was initially appointed as a director on 21 July, 2006 and re-elected at the 2008 Annual General Meeting. Mr. Andrew holds a Bachelor of Science Degree and currently also serves as a member of the company's Audit and Risk Management Committee.

The Company's Directors (other than Mr. Andrew) recommend that shareholders vote in favour of Resolution 3.

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**5. RESOLUTION 4 – INCENTIVE OPTION SCHEME**

On 19 September, 2007 the Board established the Incentive Option Scheme of Emmerson Resources Limited (**IOS**).

A summary of the principle terms of the IOS were included in the Company's Prospectus which was lodged with the Australian Securities and Investment Commission (ASIC) on 7 November, 2007. The inclusion of the summary satisfied the requirement of ASX Listing Rule 7.2 Exemption 9(a), consequently enabling the Company to issue additional equity securities, including options, of not more than 15% of the number of issued fully paid ordinary shares of the Company in any 12 month period without prior shareholder approval, as permitted by ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides, in summary, that subject to certain conditions, the Company must not issue or agree to issue equity securities, including options, in any

12 month period equal to more than 15% of the number of issued fully paid ordinary shares of the Company at the beginning of the 12 month period, except with prior shareholder approval in general meeting of the precise terms and conditions of the proposed issue.

### **Exception to Listing Rule 7.1**

One of the exceptions to Listing Rule 7.1 is Listing Rule 7.2 (exception 9(b)), which provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within 3 years before the date of the issue, the shareholders have approved the issue of securities under the employee incentive scheme as an exception to Listing Rule 7.1.

Resolution 4 seeks shareholder approval under Listing Rule 7.2 (Exception 9(b)), for the grant of options under the IOS (and the issue of fully paid ordinary shares in the capital of the Company on exercise of those options) from time to time as an exception to Listing Rule 7.1 for a period of three years commencing on the date of the Meeting without being required to count those securities as part of, and without reducing, the number or securities which the Company can issue under its annual 15% limit. The impact is that for a period of three years the grant of options, or issue of shares upon the exercise of options, will be excluded from the number of securities used to determine the Company's annual 15% limit in each rolling 12 month period.

In accordance with Listing Rule 7.2 (Exclusion 9(b)), the following information is disclosed to shareholders for the purpose of Resolution 4;

- (a) a summary of the terms and conditions of the IOS, including the proposed amendments pursuant to Resolution 4, is set out below. A copy of the full terms of the IOS will be sent free of charge to any shareholder upon request from the Company Secretary;
- (b) since inception, 30,600,000 options have been granted under the IOS, 20,000 granted options were forfeited, 6,380,000 granted options lapsed unexercised, 200,000 granted options were exercised; and
- (c) a voting exclusion statement is set out in Resolution 4.

### **Summary of key terms and conditions**

The following is a summary of the key terms and conditions of the IOS. Copies of the rules of the IOS are available from the Company Secretary upon request.

**Purpose:** The purpose of the Scheme is to encourage participation by Eligible Participants in the Company through Share ownership and to attract, motivate and retain Eligible Participants.

**Eligible Participant:** means a full or part time employee, a director and/or consultants of the Company or an Associated Body Corporate, whom the directors determine is entitled to participate in the IOS.

**Offers:** The Board, acting in its absolute discretion, may offer Options to any Eligible Participant from time to time as determined by the Board and in exercising that discretion, may have regard to some or all of the following:

- the Eligible Participant's length of service;
- the contribution made by the Eligible Participant;
- the potential contribution of the Eligible Participant; or
- any other matter the Board considers relevant; and

impose conditions, including performance-related conditions, on the right of an Eligible Participant to exercise any Option granted.

**Options:** Options are granted for no consideration. Options will not be quoted on the ASX. Shares issued pursuant to the exercise of Options rank *pari passu* with all ordinary issued shares of the Company.

**Exercise Price:** is to be determined by the Board for each Offer and otherwise in accordance with the ASX Listing Rules.

**Vesting Conditions:** The Board determines vesting conditions for each Offer

**Exercising Options:** Options can be exercised at any time after the Options have vested and prior to the Option expiry date by notice to the Company Secretary in the prescribed form.

**Lapsing of Options:** Options lapse if they are not exercised by the Option expiry date. Unless otherwise determined by the Board, where the Eligible Participant ceases their employment, directorship or consultancy with the Company or an Associated Body Corporate, the Eligible Participant has 60 days in which to exercise any vested Options or until the Option expiry date, whichever is earlier.

**Renunciation:** Upon receipt of an Offer, an Eligible Participant may, by notice in writing to the Board, nominate an Associate of that Eligible Participant (**Nominee**) in whose favour the Eligible Participant wishes to renounce the Offer. The Board may, in its discretion, resolve not to allow a renunciation of an Offer in favour of a Nominee without giving any reason for that decision. If the Board resolves to allow a renunciation of an Offer in favour of a Nominee, the Eligible Participant will procure that the permitted Nominee accepts the Offer made to that Eligible Participant and that both the Eligible Participant and the Nominee agree to be bound by the Rules.

**New Issues:** 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, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

**Rights Issues:** If the Company makes a pro rata issue of securities (except a bonus issue) to the holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) no adjustment will be made to the Option Exercise Price.

**Bonus Issues:** In the event of a bonus issue of Shares being made pro-rata to Shareholders, (other than an issue in lieu of dividends), the number of Shares issued on exercise of each Option will include the number of bonus Shares that would have been issued if the Option had been exercised prior to the record date for the bonus issue. No adjustment will be made to the exercise price per Share of the Option.

**Trigger Event:** means the despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act; or the announcement of a takeover bid or receipt by the Company of a bidder's statement in respect of the Company; or the date upon which a person or a group of associated persons becomes entitled, subsequent to the date of grant of the Option, to sufficient

Shares to give it or them the ability, in general meeting, to replace all or allow a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.

Notwithstanding the Rules of the Scheme, upon the occurrence of a Trigger Event, the Directors may determine:

- (a) that the Options may be exercised at any time from the date of such determination, and in any number until the date determined by the Directors acting bona fide so as to permit the holder to participate in any change of control arising from a Trigger Event, provided that the Directors will forthwith advise in writing each holder of such determination. Thereafter, the Options shall lapse to the extent they have not been exercised; or
- (b) to use their reasonable endeavours to procure that an offer is made to holders of Options on like terms (having regard to the nature and value of the Options) to the terms proposed under the Trigger Event in which case the Directors shall determine an appropriate period during which the holder may elect to accept the offer and, if the holder has not so elected at the end of that period, the Options shall immediately become exercisable and if not exercised within 10 days, shall lapse.

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**6. ENQUIRIES**

Shareholders are requested to contact the Company Secretary, Mr. Shane Volk on (+ 61 8) 9381 7838 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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**\$** 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.

**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 Emmerson Resources Limited (ABN 53 117 086 745).

**Constitution** means the Company's constitution.

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

**CST** means Central Standard Time as observed in Darwin, Northern Territory.

**Directors** means the current 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.

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

**Scheme** means the Company's employee incentive option scheme.

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

**Shareholder** means a holder of a Share.





**Emmerson Resources Limited**  
 ABN 53 117 086 745

**Lodge your vote:**



**By Mail:**

Computershare Investor Services Pty Limited  
 GPO Box 242 Melbourne  
 Victoria 3001 Australia

Alternatively you can fax your form to  
 (within Australia) 1800 783 447  
 (outside Australia) +61 3 9473 2555

For intermediary Online subscribers only  
 (custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**

(within Australia) 1300 850 505  
 (outside Australia) +61 3 9415 4000



## Proxy Form

**For your vote to be effective it must be received by 4.00pm (CST) Saturday 27 November 2010**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged 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, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the information tab, "Downloadable forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form →**



View the annual report, 24 hours a day, 7 days a week:

**[www.emmersonresources.com.au](http://www.emmersonresources.com.au)**

To view and update your securityholding:

**[www.investorcentre.com](http://www.investorcentre.com)**

**Your secure access information is:**

**SRN/HIN: I999999999**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Emmerson Resources Limited hereby appoint

 the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Emmerson Resources Limited to be held at Tennant Creek Battery Hill and Mining Centre, Function Room, Peko Road, Tennant Creek NT 0860 on Monday, 29 November 2010 at 4.00pm(CST) and at any adjournment of that meeting.

**Important for Item 4:** If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Item 4 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 4 and your votes will not be counted in computing the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of Item 4 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

## STEP 2 Items of Business



**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Director - Andrew Mcilwain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Director - Simon Andrew	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Incentive Option Scheme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date \_\_\_\_/\_\_\_\_/\_\_\_\_