



Red Gum Resources Limited

ACN 119 641 986

Notice of Annual General Meeting

Date of Meeting: Thursday, 27 November 2014

Time of Meeting: 11:30 am (Perth WA time)

Place of Meeting: Level 3, London House, 216 St. Georges Terrace, Perth WA

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Part A: Letter to Shareholders

17 October 2014

Dear Shareholders,

As Chairman of the Board of Directors I warmly invite you to attend Red Gum's Annual General Meeting (AGM) to be held on Thursday, 27 November 2014.

You would already be aware that the Company is planning to hold an Extraordinary General Meeting (EGM) for the purposes of seeking Shareholder approval for acquisition of Holiday Planet, Asia Escape and Motive Travel and relisting of the Company as the Australian Travel Group Limited (the Transaction). If approved, this will change the essence of your Company which will then, going forward, become a significant listed player in the internet travel and leisure industries.

In the interim it remains for Red Gum Resources to undertake its normal corporate responsibilities, and accordingly, the Board has called an AGM at this time. I invite you to review the specific details of each Resolution outlined in the accompanying Notice of Meeting and Explanatory Memorandum. However, and in summary, Resolution One relates to consideration of the Remuneration Report; Resolution Two the reappointment of Mr Edwin Bulseco as a Director; Resolution Three involves the appointment of a new Auditor to the Company; Resolution 4 seeks ratification of a prior issue of options in May 2014; Resolution 5 seeks ratification of a prior issue of shares and options pursuant to a placement in June 2014 : the sixth, and final (Special) Resolution, provides for refreshing the capacity to issue shares under ASX Listing Rule 7.1A. Where legally entitled to do so, the Directors intend to vote in support of each resolution.

Shareholders will note that in this year's Annual Report there is considerable discussion concerning the proposed Transaction. Although the subject of a separate set of resolutions, to be put before the EGM, I am heartened that the Board has been able to offer its Shareholders what we consider is the best available opportunity to ensure future growth of your Company, subject to the relevant approvals.

Should the Transaction proceed both Edwin Bulseco and myself will step down from the Board. Therefore I particularly want to take this opportunity to place on record my very sincere appreciation of the efforts of all concerned in assisting Red Gum since listing in early 2012. Clearly this past year has been extremely testing and our ability to end on a potentially buoyant note has only been made possible through the unwavering support of my fellow directors, Jennifer Tobin and Edwin Bulseco, and the efforts of our Company Secretary, Mal Lucas Smith, Chief Financial Officer, Vicky Allinson, and formerly Torey Marshall – a founding, director of the Company as well as our various consultants and advisors; most notably DJ Carmichael's, led by Steve Tomsic, and Matthew Hawtin of Steinepreis Paganin.

Overseas operations have been greatly facilitated by the administrative and linguistic skills of Allie Zubizarreta. Of course our change in focus has meant a reduction of our in-country mining related activities. Notwithstanding the personal detrimental financial consequences for a number of our overseas employees and contractors, they have performed outstandingly in helping us achieve our new objectives during the past few months. In particular, I wish to acknowledge Miguel Huarachi, Mervyn Sinclair, Maria Ojeda, Julio Calderon, and Alexjandro Honores for their magnanimous efforts.

Although the proposed Transaction was not foreseen this time last year I hope that its delivery provides consolation for our change in focus from the mining sector, and patent demonstration of our Board's objective of keeping Shareholder's interests at the fore. With Shareholder approval of the Transaction I look forward to shortly welcoming the new Board and Chairman as the harbinger of a new, exciting and profitable phase for your Company.

Yours faithfully



Dr. Raymond Shaw
Executive Chairman,
Red Gum Resources Limited

Part B: Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Shareholders of Red Gum Resources Limited (the “**Company**”) will be held at Level 3, London House, 216 St. Georges Terrace, Perth WA on Thursday, 27 November 2014 at 11:30am.

If you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy Form. The completed Proxy Form must be received at the Company’s share registry or the registered office of the Company, before 11:30 am on Tuesday, 25 November 2014. The details of the Company’s share registry and registered office are set out in the attached Proxy Form.

The enclosed Explanatory Memorandum accompanies and forms part of this Notice of Meeting. Shareholders are advised to read these documents in full as important background information is included.

Where permitted by the Corporations Act, the Chairman will be casting undirected proxy votes held by him in favour of the Resolutions.

BUSINESS

1. Executive Chairman's presentation
2. Presentation of audited financial statements for the year ended 30 June 2014.
3. Proposed Ordinary Resolutions:
 - i Consideration of Remuneration Report
 - ii. Election of Non-Executive Director, Mr Edwin Edward Bulseco
 - iii Appointment of Auditor
 - iv Ratification of prior issue – options – May 2014
 - v Ratification of prior issue - shares and options – June 2014 placement
4. Proposed Special Resolution
 - vi Approval of Additional Capacity pursuant to LR 7.1A

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AGENDA

Financial Reports

To receive and consider the Company's Audited Financial Statements for the financial year ended 30 June 2014 which accompany this Notice of Meeting, or were made available in accordance with the Shareholder's chosen method. The Statements are placed before the Shareholders for discussion. Voting is not required on this matter.

Proposed Resolutions

Resolution 1 - Adoption of Remuneration Report

To consider and if thought fit, to approve the following motion as an ordinary resolution:

"That for the purposes of section 250R(2) of the Corporations Act, the Remuneration Report (which forms part of the Directors' Report for the year ended 30 June 2014) be adopted."

Note: Although section 250R(3) of the Corporations Act provides that the vote on this Resolution is advisory only and does not bind the Directors, there are potentially serious consequences associated with a "No" vote greater than 25%. Please see the Explanatory Memorandum for details.

Voting Exclusion Statement for Resolution 1

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the key management personnel details of whose remuneration are included in the Remuneration Report; or
- (b) a closely related party of such a member.

However, a person described above may cast a vote on Resolution 1 if:

- (a) both the following apply:
 - (i) the person does so as a proxy appointed by writing that specified how the proxy is to vote on Resolution 1; and
 - (ii) the vote is not cast on behalf of one of the people described in subparagraphs (a) or (b) above.
- (b) all of the following apply:
 - (i) the person is the Chair of the Meeting; and
 - (ii) the Chair does so as a proxy appointed by means of the proxy form circulated with this Notice of Meeting that does not specify how the proxy is to vote on Resolution 1; and
 - (iii) the vote is not cast on behalf of a person described in paragraphs (a) or (b) above; and
 - (iv) the proxy expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 2 - Election of Mr Edwin Edward Bulseco as a Director of the Company

To consider and if thought fit, to approve the following motion as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 14.4, clause 38 of the Constitution of the Company and for all other purposes, Mr Edwin Edward Bulseco, a Director who was appointed on 2 March 2014 retires, and being eligible, is elected as a Director."

Resolution 3 – Appointment of Auditor

To consider and if thought fit, to approve the following motion as an ordinary resolution:

"That, subject to the consent of the Australian Securities & Investments Commission, Stantons International Audit & Consulting Pty Ltd be appointed as auditors of the Company and its subsidiaries and that the Directors be authorized to fix the Auditor's remuneration."

Resolution 4 – Ratification of prior issue – options – May 2014

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 16,867,018 RGXOA Options (on a pre-Consolidation basis) on the terms and conditions set out in the Explanatory Memorandum."

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Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue 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.

Resolution 5 – Ratification of prior issue – shares and options – June 2014 placement

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 62,000,000 Shares and 26,000,000 RGXOA Options (on a pre-Consolidation basis) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue 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.

Resolution 6 - Approval to increase the securities placement capacity of the Company

To consider and if thought fit, to approve the following motion as a special resolution:

“That for the purposes of ASX Listing Rule 7.1A, and for all other purposes, Members approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion

In accordance with ASX Listing Rule 7.3A.7, the Company will disregard any votes cast on Resolution 6 by:

- a person who may participate in the issue of securities;
- a person who might obtain a benefit, except a benefit solely in the capacity of a holder of shares, if this Resolution is passed; and
- any associate of that person.

However, the Company need not disregard a vote if it is cast by:

- the person described above does so as a proxy appointed by writing that specified how the proxy is to vote on the proposed resolution; and
- the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

General business

Executive Chairman’s Report on current activities

By order of the board



Malcolm Lucas-Smith
Company Secretary
17th October 2014

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NOTES:

1. Further details of the Resolutions in this Notice of Meeting are contained in the Explanatory Memorandum accompanying this Notice of Meeting. The Explanatory Memorandum should be read together with, and forms part of, this Notice of Meeting.
2. Shareholders unable to attend the Meeting can complete the Proxy Form contained in this Notice of Meeting. The form must be received by the Company at the address or the facsimile number indicated on the Proxy Form no later than 25 November 2014 at 11:00 am ACDT.
3. In accordance with the Corporations Act, a person's entitlement to vote at the Annual General Meeting will be determined by reference to the number of fully paid ordinary shares registered in the name of that person (reflected in the register of Shareholders) as at 7.00pm ACDT on 25 November 2014. Shareholders that do not hold shares at this time will be ineligible to vote at the meeting.
4. Shareholders unable to attend the Meeting are urged to complete the attached Proxy Form and return it to the Company in accordance with Note 2. A Shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy. A proxy need not be a Shareholder of the Company. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act 2001, each proxy may exercise half of the votes. Proxies must be lodged at the registered office of the Company or the Company's share registry, no later than forty-eight hours before the meeting or adjourned meeting. A form of proxy together with a return addressed envelope is provided with this notice.
5. Shareholders will be provided with a reasonable opportunity to ask questions about or make comments on the management of the Company including the opportunity to ask questions of the Company's auditor. Shareholders are invited to submit any questions to the Company no later than 5 business days before the meeting.

VOTING IN PERSON

Shareholders who plan to attend the Meeting are asked to arrive at the venue 30 minutes prior to the time designated for the Meeting, if possible, so that we may check the shareholding against the Share Register and note attendances. In order to vote in person at the Meeting, a corporation that is a shareholder or a proxy may appoint an individual to act as its representative. The appointment must comply with the requirements of Section 250D of the Corporations Act. The representative should bring to the Meeting evidence of their appointment, including any authority under which it is signed.

Part C: Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at a Meeting of the Company to be held at Level 3, London House, 216 St Georges Terrace, Perth WA on Thursday, 27 November 2014, commencing at 11:30 am (Perth WA time).

A copy of the Notice of Meeting (including this Explanatory Memorandum) was lodged with ASX on 24 October 2014. The ASX does not take responsibility for the content of the Notice of Meeting (including this Explanatory Memorandum).

This Explanatory Memorandum forms part of the Notice of Meeting and must be read together with that Notice. The purpose of this Explanatory Memorandum is to provide Shareholders with an explanation of the business of the Meeting and of the Resolutions to be proposed and considered at the Meeting and to assist Shareholders in determining how they wish to vote on each of the Resolutions.

As far as legally possible the Directors intend to support each of the Resolutions. The Chairman will be casting undirected proxy votes held by him in favour of each of the Resolutions. The Directors of the Company unanimously recommend to all Shareholders that they vote in favour of all the Resolutions.

Presentation of Audited Financial Statements

The Audited Financial Statements are incorporated within the Company's Annual Report for the financial year 2013/14 which has been made available to all Shareholders in accordance with their stated preference. In the case of Shareholders who have not opted to receive printed reports, the Annual Report is available on the Company's Web Site: www.redgumresources.com and / or from the ASX Company Announcements Web Site.

The Audited Financial Statements will be presented to the meeting for review and discussion and the Company's auditor will be present to answer questions. Consideration of the Audited Financial Statements does not require a resolution.

Resolution 1 - Adoption of the Remuneration Report - as an ordinary resolution

The Annual Report for the year ended 30 June 2014 contains a Remuneration Report (commencing at page 12 of the Annual Report) which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for Directors and Executives.

The Corporations Act (under section 250R(2)) requires the agenda for an Annual General Meeting to include a resolution for the adoption of the Remuneration Report. The vote on the resolution is advisory only and is not binding on the Directors or the Company. However, under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

The Remuneration Report:

- (a) describes the policy behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of employees and the Company's performance;
- (b) sets out the remuneration arrangements in place for each Director and for certain members of the senior management team; and
- (c) explains the differences between the basis for remunerating Non-Executive Directors and executives of the Company.

A reasonable opportunity for discussion of the Remuneration Report will be provided at the meeting.

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The Directors of the Company unanimously recommend to all Members that they vote in favour of this Resolution.

Resolution 2 - Election of Mr Edwin Edward Bulseco as a Director of the Company - as an ordinary resolution

Clause 36.1 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 Constitution, that number being 9.

Any Director so appointed holds office only until the next following Annual General Meeting and is then eligible for election.

Mr Bulseco was appointed as a Non-Executive Director on 2 March 2014, and being eligible, offers himself for election as a Director of the Company. Details of his qualifications and experience are set out below.

The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution. All Directors of the Company will be voting in favour of this Resolution and unanimously recommend that all Shareholders vote in favour of this Resolution.

Mr Edwin Edward Bulseco – Non-executive Director (appointed on 2 March 2014)

Edwin Bulseco holds a Bachelor of Commerce (Graduating with Merit) from the University of Wollongong in NSW, and has a wealth of experience in capital markets and corporate strategic planning. From 2010 to 2014 Edwin served as senior equity research analyst at two of Australia's oldest stockbrokers. During this period, Edwin's considerable capital markets and corporate experience resulted in over \$100 million of new capital being raised, in addition to a number of successful corporate restructures.

Prior to working in capital markets Edwin held various internal consulting, corporate/strategic planning and commercial roles with Royal Dutch Shell where he spent seven years, resulting in the maturation and commercialisation of a number of global projects. During this period, Edwin gained valuable international experience in Europe, South East Asia and Africa.

Resolution 3 – Appointment of Auditors

At the EGM held prior to this Meeting the Shareholders will have considered the Company's announced proposal to move away from resources into the internet travel and leisure industries by the acquisition of three Perth based internet and leisure travel companies. The proposal involves a change of Directors and management, and a subsequent change of base to Perth. The incoming Board has requested that the Company agree to appoint Perth based Stantons International Audit & Consulting Pty Ltd ("Stantons") as Auditors for the new group, subject to approval of all resolutions at the prior EGM, and effective from the closure of this meeting. Should the proposed change to nature or scale of activities resolutions to be considered at the prior EGM not be approved then this resolution will be withdrawn and not put to the Meeting.

In the circumstances the Company's existing Auditors, K S Black & Co (through Mr Faizal Ajmat), have agreed to resign as Auditors of the Company and a shareholder has nominated Stantons as the new Auditors – see Appendix A. KS black & Co (again through Mr Ajmat) have applied to ASIC for consent to resign and this Resolution is subject to that consent being received.

The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution. All Directors of the Company will be voting in favour of this Resolution and unanimously recommend that all Shareholders vote in favour of this Resolution.

Resolution 4 – Ratification of prior issue – options – May 2014

On 22 May 2014 the Company announced a placement of 200 million fully paid ordinary shares to non-related sophisticated investors introduced by DJ Carmichael Pty Ltd at \$0.006 per share which raised \$1.2 million before costs. The May placement utilised the approval granted by the shareholders at the EGM held on 28 April 2014. The May placement was undertaken and managed by DJ Carmichael Pty Ltd which, in accordance with their mandate for the May placement and subject to shareholder

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approvals, were entitled to receive 16,870,018 RGXOA Options (on a pre-consolidation basis) exercisable at \$0.01 expiring on 15 November 2017 being an existing class of quoted options. The issue of the RGXOA Options was made on 23 May 2014 pursuant to the Company's then capacity under ASX Listing Rule 7.1.

Resolution 9 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those 16,870,018 RGXOA Options to DJ Carmichael Pty Ltd.

Listing Rules 7.1 and 7.4

Listing Rule 7.1 broadly provides, subject to certain exceptions, that a company may not issue or agree to issue securities which represent more than 15% of the company's issued capital, calculated according to the requirements of Listing Rule 7.1, without obtaining Shareholder approval, and none of the exceptions under Listing Rule 7.2 apply to this issue.

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.

Listing Rule 7.5

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

- (a) 16,870,018 RGXOA Options were issued;
- (b) the RGXOA Options were issued for nil cash consideration in satisfaction of services provided by DJ Carmichael Pty Ltd in relation to the May Placement;
- (c) the RGXOA Options were issued on the terms and conditions set out in Appendix B;
- (d) the RGXOA Options were issued to DJ Carmichael Pty Ltd, who is not a related party of the Company; and
- (e) no funds were raised from this issue as the RGXOA Options were issued in consideration for satisfaction of services provided by DJ Carmichael Pty Ltd in relation to the May Placement.

Resolution 5 – Ratification of prior issue – shares and options – June 2014 placement

On 4 June 2014 the Company announced that Red Gum is to shift focus from resources to the internet travel and leisure industry, and also announced an initial placement of 125,000,000 Shares to non-related sophisticated investors at \$0.008 each plus 26,000,000 attaching quoted RGXOA Options exercisable at \$0.01 expiring on 15 November 2017 (an existing class of quoted options) to raise \$1,000,000 before costs. Demand for the stock was such that in fact 132,000,000 Shares were issued to raise \$1,056,000 – the number of Options remained unchanged.

The June Placement was made from the Company's then existing placement capacity under ASX Listing Rules 7.1 and 7.1A. Given the Company is no longer able to rely on its ASX Listing Rule 7.1A capacity as a consequence of having to re-comply with Chapters 1 and 2, the Company is only seeking approval to 'refresh' 62,000,000 Shares and 26,000,000 quoted options that were issued under the ASX Listing Rule 7.1 capacity as part of the June Placement.

Settlement of the June Placement took place on 10 June 2014 and the funds are being used to assist the Company with working capital during the relisting process which, as announced on 4 June 2014, will be required in order to achieve re-compliance with the admission and quotation requirements of the ASX listing rules.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 62,000,000 Shares and 26,000,000 Options.

Summaries of ASX Listing Rules 7.1 and 7.4 are set out in Resolution 4 above.

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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.

ASX Listing Rule 7.5

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

- (a) 62,000,000 Shares and 26,000,000 Options were issued under the Company's existing ASX Listing Rule 7.1 capacity;
- (b) the issue price per Share was \$0.08 and the issue price of the Options was nil as they were issued free attaching with the Shares;
- (c) 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;
- (d) the Options were issued on the terms and conditions set out in Appendix B;
- (e) the Shares and Options were issued to clients of DJ Carmichael Pty Ltd. None of these subscribers are related parties of the Company; and
- (f) the funds raised from this issue will be used in relation to the associated costs of the Acquisitions and for re-compliance with the admission and quotation requirements of the ASX listing rules.

Resolution 6 - Approval of additional capacity to issue securities - as a special resolution

Effective 1 August 2012 the ASX introduced Listing Rule 7.1A to provide eligible mid to small cap listed entities with the ability to seek shareholder approval to issue fully paid ordinary shares ("Shares") equivalent to an additional 10% (the Additional Capacity) of the number of Shares on issue, by way of placements over a 12 month period. Approval for the Additional Capacity may only be sought from Members at the AGM and will be valid for 12 months from the date of the AGM. Shareholders previously approved the 10% Additional Capacity at the AGM on 7 November 2013 and as a result 70,000,000 fully paid ordinary shares were issued pursuant to that approval as part of the initial placement announced on 4 June 2014.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Directors consider that over the next 12 months it may be advantageous to the Company to have the ability to issue up to a further 10% of its issued capital particularly having regard to the Company's stated intention to move away from resources into the internet travel and leisure industries as previously announced. Accordingly the Directors have resolved to seek shareholder approval to refresh the 10% Additional Capacity for a further 12 month period from the date of this Meeting.

The Additional Capacity of 10% under Listing Rule 7.1A is in addition to the placement capacity under Listing Rule 7.1, which permits companies to issue up to 15% of their issued capital without prior Shareholder approval. The Additional Capacity facility does not permit the issue of options under that facility. At the date of this Notice the Company has on issue 832,000,000 Shares including 62,000,000 issued on 10 June 2014 pursuant to Listing Rule 7.1 and 70,000,000 also issued on 10 June 2014 pursuant to the prior approval under Listing Rule 7.1A. Resolutions 4 and 5 above seek Shareholders approval to refresh the Company's capacity to issue securities pursuant to Listing Rule 7.1 and the following calculations and examples assume that resolutions 4 and 5 have been approved. Therefore the Company will have the capacity to issue to following securities:

- i. 124,800,000 equity securities (shares or options) under Listing Rule 7.1;
- ii. Nil shares under Listing Rule 7.1A on the assumption that at the prior EGM Shareholders will approve the proposed change to the nature of the Company's activities pursuant to Listing Rule 11.1 which approval will automatically cancel the Company's prior approval of Additional Capacity under Listing Rule 7.1A which would otherwise be current until 7 November 2014.

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NOTE:

One of the resolutions to be considered at the EGM to be held prior to this Meeting will be the consolidation of all of the Company's securities at a ratio of 25 one. As the proposed consolidation has not yet been considered as at the date of this Notice, and if approved at the EGM will not have been implemented at the date of this Meeting, all of the security numbers included in this Notice are on a pre-consolidation basis.

Subject to Shareholder approval being granted under this Resolution 4, the capacity to issue additional Shares under Listing Rule 7.1A will be current until 27 November 2015. The actual number of Shares that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Shares in accordance with the formula prescribed in Listing Rule 7.1A.2. Listing Rules 7.1 and 7.1A including the prescribed formula, may be viewed on the ASX web site at www.asx.com.au.

The Company is now seeking Shareholder approval by way of a special resolution to renew its ability to issue Shares under the 10% Additional Capacity facility pursuant to Listing Rule 7.1A.

The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution. All Directors of the Company will be voting in favour of this Resolution and unanimously recommend that all Members vote in favour of this Resolution.

Additional information required pursuant to Listing Rule 7.3A

Minimum Issue Price:

Listing Rule 7.1A states that Shares issued under that rule must not be issued at a price that is less than 75% of the volume weighted average price (VWAP) of the existing quoted shares calculated over the 15 trading days on which trades were recorded in those shares immediately before:

- the date on which the issue price of the shares is agreed; or
- the issue date (if the shares are not issued within five trading days of the date on which the issue is agreed).

As it is not known at this time if any Additional Capacity shares will be issued during the 12 month period, or when they may be issued, it is not presently possible to definitively state the minimum issue price except to confirm that the issue price will be calculated in accordance with the above formula.

The risk of economic and voting dilution of existing security holders:

The Company presently has one class of quoted fully paid ordinary shares, no partially paid shares, two classes of quoted options (61,234,053 expiring 1 March 2016 exercisable at \$0.10 and 176,000,000 expiring 15 November 2017 exercisable at \$0.010), plus 5,000,000 unquoted options expiring 30 April 2016 exercisable \$0.15.

There is the risk that the market price for the Company's quoted ordinary shares may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A. In addition the Additional Capacity shares may be issued at a price that is at a discount to the market price for quoted ordinary shares on the issue date. The following table provides several examples of the potential dilution of existing ordinary Shareholders based upon different assumed issue prices. In each example:

- the table only shows the dilution effect as a result of an Additional Capacity placement and does not show the effect of any 15% placement made under Listing Rule 7.1;
- the assumed issue price is based on a price that is 75% of an estimated future VWAP as described under Minimum Issue Price above;
- the base issued capital is calculated in accordance with Listing Rule 7.1A;
- the maximum Additional Capacity issue of 10% is made;
- it is assumed that no existing shareholder participates in the issues;
- it is assumed that none of the existing options are exercised in the interim; and
- the dilution factor is on the basis that existing Members hold 100% voting power prior to the 10% Additional Capacity issue and following that issue the existing Members hold 90.9% of the new voting power.

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Base Issued Capital (existing holders)	Assumed Issue Price (VWAP) \$	Additional Capacity Placement Shares	Funds Raised \$	Issued Capital Post Placement	Dilution Factor for Existing Holders
832,000,000	0.006	83,200,000	499,200	915,200,000	9.1%
1,040,000,000 *	0.0045	104,000,000	468,000	1,144,000,000	9.1%
2,080,000,000 **	0.003	208,000,000	624,000	2,288,000,000	9.1%

Notes:

* The issued capital has increased by 25% during the period and the VWAP has decreased by 25%.

** By way of further example and as required by Listing Rule 7.3, this calculation assumes that there is effectively double the number of issued ordinary shares, that the VWAP of an Additional Capacity issue will be 50% of the original VWAP, and that no existing shareholder participated in that new transaction.

Date of Issue

Any securities issued under this resolution will be issued no later than 12 months from the date of the AGM. However the approval will cease to be valid in the event that the holders of the Company's ordinary shares approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

Purpose for which the Additional Capacity Shares may be issued

The Company has no particular purpose in mind at this time and merely wishes to be prepared for any eventuality. It is most likely that if an issue is made it will be for the purpose of expanding or furthering the development of the Company's assets and / or for general working capital. If a suitable opportunity arises, equity securities may be issued for other than cash to acquire, or assist to acquire a new asset from non-related parties, commensurate with the Company's activities. Also equity securities may be issued in lieu of a cash payment for work done by non-related parties as a method of preserving available cash in the Company.

Allocation Policy

The Company's allocation policy will depend upon the prevailing market conditions at the time of any proposed Additional Capacity issue. The identity of the allottees of Additional Capacity securities will be determined on a case-by-case basis having regard to the various factors including the following:

1. Securities will only be issued to sophisticated investors which may or may not include existing substantial shareholders and / or new shareholders who are not related parties or associates of a related party of the Company.
2. Securities will only be issued for purposes commensurate with the activities of the Company at the sole discretion of the Directors.
3. Any discount offered to investors will be the minimum possible in the circumstances.
4. The methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate.
5. The effect of the issue on the control of the Company.

Previous approval and issue of equity securities under Listing Rule 7.1A

The Company obtained an approval under Listing Rule 7.1A at the AGM held on 29 November 2012 which was not utilised, and subsequently obtained a further approval at the AGM held on 7 November 2013.

As at the date of this Notice, and as detailed above 70,000,000 ordinary shares representing 62% of the total number of equity securities on issue at the commencement of that 12 month period, were issued on 10 June 2014 pursuant to the subsequent approval.

Issues of other equity securities by the Company during the 12 months preceding the date of the AGM, and not pursuant to Listing Rule 7.1A

Shares

Date of issue:	11/11/2013
Number issued:	15,000,000
Class/Type of equity security:	ORD
Summary of terms:	As for existing ORD
Names of persons who received securities or basis on which those persons was determined:	Non related sophisticated investors introduced by DJ Carmichael Pty Ltd

Red Gum Resources Pty Ltd ACN 119 641 986

Price:	\$0.020
Discount to market price (if any):	Nil
Total cash consideration received:	\$300,000
Amount of cash consideration spent:	100%
Use of consideration:	Technical & legal due diligence re Rio Perdido Copper
Intended use for remaining consideration (if any):	Nil remaining

Date of issue:	3/03/2014
Number issued:	1,870,215
Class/Type of equity security:	ORD
Summary of terms:	As for existing ORD
Names of persons who received securities or basis on which those persons was determined:	Non related sophisticated investors introduced by DJ Carmichael Pty Ltd
Price:	\$0.003
Discount to market price (if any):	14%
Total cash consideration received:	\$5,611
Amount of cash consideration spent:	100%
Use of consideration:	Working capital
Intended use for remaining consideration (if any):	Nil remaining

Date of issue:	14-17/04/2014
Number issued:	194,007,468
Class/Type of equity security:	ORD
Summary of terms:	As for existing ORD
Names of persons who received securities or basis on which those persons was determined:	Renounceable rights issue managed by DJ Carmichael Pty Ltd
Price:	\$0.003
Discount to market price (if any):	40%
Total cash consideration received:	\$582,022
Amount of cash consideration spent:	100%
Use of consideration:	To identify new opportunities, for working capital and issue costs
Intended use for remaining consideration (if any):	Nil remaining

Date of issue:	29/04/2014
Number issued:	176,654,220
Class/Type of equity security:	ORD
Summary of terms:	As for existing ORD
Names of persons who received securities or basis on which those persons was determined:	To repay convertible loan
Price:	\$0.003
Discount to market price (if any):	50%
Total cash consideration received:	NA
Amount of cash consideration spent:	100% of original loan \$530,000
Use of consideration:	Working capital
Current value of the non cash consideration	\$0.007 per share total \$1.237 m

Date of issue:	23/05/2014
Number issued:	200,000,000
Class/Type of equity security:	ORD
Summary of terms:	As for existing ORD
Names of persons who received securities or basis on which those persons was determined:	Non-related sophisticated investors introduced by DJ Carmichael Pty Ltd
Price:	\$0.006
Discount to market price (if any):	14%
Total cash consideration received:	\$1,200,000
Amount of cash consideration spent:	100% of original loan \$530,000
Use of consideration:	Working capital and identification of new corporate opportunities
Intended use for remaining consideration (if any):	Nil remaining

Date of issue:	10/06/2014
Number issued:	62,000,000
Class/Type of equity security:	ORD
Summary of terms:	As for existing ORD

Red Gum Resources Pty Ltd ACN 119 641 986

Names of persons who received securities or basis on which those persons was determined:	Non-related sophisticated investors introduced by DJ Carmichael Pty Ltd
Price:	\$0.008
Discount to market price (if any):	Nil discount
Total cash consideration received:	\$496,000
Amount of cash consideration spent:	100%
Use of consideration:	Working capital
Intended use for remaining consideration (if any):	Nil remaining

Options

Date of issue:	14-28/04/2014
Number issued:	88,501,873
Class/Type of equity security:	Quoted options
Summary of terms:	ex \$0.01 exp 15/11/17
Names of persons who received securities or basis on which those persons was determined:	Renounceable rights issue attaching & broker options
Price:	Free attaching
Discount to market price (if any):	NA

Options

Date of issue:	29/04/2014
Number issued:	44,631,109
Class/Type of equity security:	Quoted options
Summary of terms:	ex \$0.01 exp 15/11/17
Names of persons who received securities or basis on which those persons was determined:	Placement attaching options to non-related sophisticated investors introduced by DJ Carmichael Pty Ltd
Price:	Free attaching
Discount to market price (if any):	NA

Date of issue:	23/05/2014
Number issued:	16,867,018
Class/Type of equity security:	Quoted options
Summary of terms:	ex \$0.01 exp 15/11/17
Names of persons who received securities or basis on which those persons was determined:	Broker options to DJ Carmichael Pty Ltd
Price:	\$0.00001 – total \$168.67
Discount to market price (if any):	NA

Date of issue:	10/06/2014
Number issued:	26,000,000
Class/Type of equity security:	Quoted options
Summary of terms:	ex \$0.01 exp 15/11/17
Names of persons who received securities or basis on which those persons was determined:	Placement attaching options to non-related sophisticated investors introduced by DJ Carmichael Pty Ltd
Price:	Free attaching
Discount to market price (if any):	NA

Total Equity Securities Issued

Equity securities issued in prior 12 months period	Shares 719,531,903 Options 176,000,000
Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period	640% 287%

Voting Exclusion Statement

The voting exclusion statement for this Resolution is included in the Notice of Meeting.

At the date of the Notice of Meeting the Company has not approached any particular existing Shareholder (or any other person) to participate in the issue of the equity securities. Therefore no existing Shareholder's votes will be excluded under the voting exclusion in the Notice of Meeting.

Red Gum Resources Pty Ltd ACN 119 641 986

APPENDIX A

FLEXIBLE INVESTMENTS SUPER FUND PTY LTD

ACN 108 391 644
1395B Bolong Road, Coolangatta NSW 2535
PO Box 1385, Nowra NSW 2541
Phone: (02) 4448 5641 Facsimile: (02) 4448 5642 Mobile: 0418 366 532

As Trustee for M Lucas-Smith Super Fund

17 October 2014

The Chairman,
Red Gum Resources Limited,
79 Angas Street,
Adelaide SA 5000

Dear Sir,

RE: Nomination of Auditor

We, being a shareholder of Red Gum Resources Limited hereby nominate Stantons International Audit & Consulting Pty Ltd for appointment as Auditor of the Company.

Yours Faithfully,



ME Lucas-Smith
Sole Director & Company Secretary

Red Gum Resources Pty Ltd ACN 119 641 986

APPENDIX B

RED GUM RESOURCES LIMITED

STANDARD RIGHTS ATTACHING TO OPTIONS

- 1.1 The various option classes on issue by the Company have differing Exercise Prices and differing Expiry Dates, however, the standard rights attaching to the options are the same for each class and are set out below:
- (a) Unless otherwise indicated, the options are issued at no cost to the recipient and vest on the date that they are issued;
 - (b) The options will not be transferable in whole or in part and may not be exercised by any other person (except, in the case of the Option holder's death, by his or her legal personal representative);
 - (c) The number of Options that may be exercised at any one time must not be less than 20,000 unless the total number of Options held is less than 20,000 then that number of Options;
 - (d) Upon the valid exercise of the options and payment of the Exercise Price, the Company will issue fully paid ordinary shares ranking pari passu with the then issued ordinary shares;
 - (e) Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the options, in accordance with the requirements of the Listing Rules;
 - (f) Option holders do not participate in any dividends unless the options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend;
 - (g) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - (1) the number of options, the Exercise Price of the options, or both will be reconstructed (as appropriate) in a manner consistent with the ASX Listing Rules as applicable at the time of reconstruction, but with the intention that such reconstruction will not result in any benefits being conferred on the holders of the options which are not conferred on shareholders; and
 - (2) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the options will remain unchanged;
 - (h) The Company has both quoted and unquoted options on issue. Unless indicated otherwise at the time of issue, the Company does not intend to quote the options on the ASX, however the Company will apply for listing of resultant shares of the Company issued upon the exercise of any option;
 - (i) If there is a pro rata issue (except a bonus issue), the Exercise Price of an option may be reduced according to the following formula:
 - $O^n = O - E [P - (S + D)]$
 - $N + 1$
 - Where:
 - O^n = the new exercise price of the option;
 - O = the old exercise price of the option;
 - E = the number of underlying securities into which one option is exercisable;

Red Gum Resources Pty Ltd ACN 119 641 986



- P= the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;
 - S = the subscription price for a security under the pro rata issue;
 - D= dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);
 - N= the number of securities with rights or entitlements that must be held to receive a right to one new security.
- (j) If there is a bonus issue to the holders of shares in the Company, the number of shares over which the option is exercisable may be increased by the number of shares which the option holder would have received if the option had been exercised before the record date for the bonus issue; and
- (k) The terms of the options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, the terms of the options shall not be changed to reduce the Exercise Price, increase the number of options or change any period for exercise of the options.



**RED
GUM**

Red Gum Resources Limited
ABN 66 119 641 986

Lodge your vote:

  **Online:**
www.investorvote.com.au

 **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

For all enquiries call:
(within Australia) 1300 556 161
(outside Australia) +61 3 9415 4000

┌ 000001 000 RGX
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999

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



 **For your vote to be effective it must be received by 11:30 am (Perth WA time) Tuesday 25 November 2014**

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 or abstain as they choose (to the extent permitted by law). 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 for Postal Forms

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 under the help tab, "Printable 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.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

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 Red Gum 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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Red Gum Resources Limited to be held at Level 3, London House, 216 St. Georges Terrace, Perth WA on Thursday, 27 November 2014 at 11:30 am (Perth WA time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Item 1** (except where I/we have indicated a different voting intention below) even though **Item 1** is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Item 1** by marking the appropriate box in step 2 below.

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.

Ordinary Business

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mr Edwin Edward Bulseco as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of prior issue – options – May 2014	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of prior issue – shares and options – June 2014 placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval to increase the securities placement capacity of the Company	<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. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

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 / / _____