

NEW AGE EXPLORATION LIMITED
ABN 65 004 749 508

NOTICE OF 2012 ANNUAL GENERAL MEETING

Notice is given that the 2012 Annual General Meeting of New Age Exploration Limited ("the Company" or "New Age Exploration") will be held at the Theatrette, RACV Club, 501 Bourke Street, Melbourne, 3000 on 28 November 2012 at 10.00am (Melbourne, Victoria time).

Further details in respect of each of the resolutions proposed in this Notice of Annual General Meeting are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting. The details of the resolutions contained in the Explanatory Memorandum should be read together with, and form part of, this Notice of Annual General Meeting.

BUSINESS

2012 Annual Financial Statements

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2012 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

"THAT the Company approves the adoption of the Remuneration Report for the year ended 30 June 2012".

Voting Note

In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company's key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report, or any of that person's closely related parties (such as close family members and any controlled companies of those persons) (collectively referred to a "Restricted Voter"). However, the Company need not disregard a vote if:

- *it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1;*
- *it is not cast on behalf of a Restricted Voter.*

Resolution 2 – Re-Election of Director - Mr Adrien Wing

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

"THAT Mr Adrien Wing, being a Director of the Company since re-election on 19 November 2010, who will retire at the close of the meeting in accordance with article 6.3(b) of the Company's Constitution and ASX Listing Rule 14.4, and being eligible for re-election, be re-elected as a Director of the Company."

Resolution 3 – Appointment of Director – Mr Michael Amundsen

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

“That Mr Michael Amundsen, a director appointed to fill a casual vacancy on 9 February 2012 and being eligible for election, be elected as a Director of the Company.”

Resolution 4 – Ratification of prior issue of shares – Mr Chee Siew Yaw

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

“THAT for the purposes of ASX Listing Rule 7.4, shareholders ratify the prior issue of 11,650,000 ordinary shares at an issue price of \$0.10 (10 cents) per share to Mr Chee Siew Yaw, as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting. ”

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 4 by:

- persons who participated in the issue; or
- an associate of those persons.

However, the Company need not disregard a vote on Resolution 4 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.

Resolution 5- Ratification of prior issue of shares – Carbones Terranova Ltda.

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

“THAT for the purposes of ASX Listing Rule 7.4, shareholders ratify the prior issue of 88,597 ordinary shares at an deemed issue price of 11 cents (\$0.11) per share to Carbones Terranova Ltda., a company incorporated in Colombia on 28 November 2011 as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting. ”

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 5 by:

- persons who participated in the issue; or
- an associate of those persons.

However, the Company need not disregard a vote on Resolution 5 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.

Resolution 6- Ratification of prior issue of options – Insync Equity Services Pty Ltd

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

"THAT for the purposes of ASX Listing Rule 7.4, shareholders ratify the prior issue of 1,500,000 options each to acquire, upon exercise, one fully paid ordinary share in the issued capital of the Company having an exercise price of 25 cents (\$0.25) and expiring on 6 December 2013 which were issued to Insync Equity Services Pty Ltd on 4 January 2012 as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting."

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 6 by:

- persons who participated in the issue; or
- an associate of those persons.

However, the Company need not disregard a vote on Resolution 6 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.

Resolution 7 – Ratification of prior issue of options – Black Associates Pty Ltd

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

"THAT for the purposes of ASX Listing Rule 7.4, shareholders ratify the prior issue of 200,000 options each to acquire, upon exercise, one fully paid ordinary share in the issued capital of the Company having an exercise price of 14 cents (\$0.14) and expiring on 1 September 2014 which were issued to Black Associates Pty Ltd on 31 January 2012 as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting."

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 7 by:

- persons who participated in the issue; or
- an associate of those persons.

However, the Company need not disregard a vote on Resolution 7 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.

Resolution 8 – Ratification of prior issue of options – GJ Kemp & Associates Pty Ltd

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

"THAT for the purposes of ASX Listing Rule 7.4, shareholders ratify the prior issue of 400,000 options each to acquire, upon exercise, one fully paid ordinary share in the issued capital of the Company having an exercise price of 12.5 cents (\$0.125) and expiring on 2 February 2014 which were issued to GJ Kemp & Associates Pty Ltd on 14 February 2012 as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting."

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 8 by:

- persons who participated in the issue; or
- an associate of those persons.

However, the Company need not disregard a vote on Resolution 8 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.

Resolution 9 – Issue of Options – Mr Michael Amundsen

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

"THAT for the purposes of ASX Listing Rule 10.11, shareholders approve the issue of 750,000 options to acquire ordinary shares in the issued capital of the Company having an exercise price of fourteen cents (\$0.14) and an expiry date of 6 February 2015 to Michael Amundsen, a Director of the Company, (or his nominee/s) as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting."

Voting Exclusion Statement:

The Company will disregard any votes cast of Resolution 9 by:

- Michael Amundsen;
- an associate of Michael Amundsen; and
- as a proxy by a Restricted Voter

However, the Company will 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, pursuant to an express authorisation on the proxy form.

Resolution 10 – Ratification of prior issue of tranche one placement shares

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

"THAT for the purposes of ASX Listing Rule 7.4, shareholders ratify the prior issue of 7,000,000 ordinary shares made to professional and sophisticated investors on, or about, 25 October 2012 at a price of 6.5 cents (\$0.065) per share as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting. "

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 10 by:

- persons who participated in the issue; or
- an associate of those persons.

However, the Company need not disregard a vote on Resolution 10 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.

Resolution 11 – Approval of Issue of placement shares

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

"THAT for the purpose of ASX Listing Rule 7.1 shareholders approve the issue of up to 48,781,692 fully paid ordinary shares to professional and sophisticated investors (who are not related parties of the Company) at an issue price of \$0.065 (6.5 cents) as described in the Explanatory Memorandum which accompanied and formed part of this Notice of Annual General Meeting."

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution 11 by:

- persons who may participate in the proposed issue and persons who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; or
- an associate of those persons.

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;
- 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 12 – Approval of issue of placement shares to Resource Capital Fund V. L.P.

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

"THAT for the purpose of ASX Listing Rule 7.1 shareholders approve the issue of up to 28,809,359 fully paid ordinary shares to Resource Capital Fund V. L.P at an issue price of \$0.065 (6.5 cents) as described in the Explanatory Memorandum which accompanied and formed part of this Notice of Annual General Meeting."

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution 12 by:

- *persons who may participate in the proposed issue and persons who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; or*
- *an associate of those persons.*

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;*
- *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 13 – Approval of Placement Facility

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

"THAT, for the purposes of Listing Rule 7.1A, shareholders approve the Company having the capacity to issue fully paid ordinary shares in the capital of the Company up to the maximum number permitted under Listing Rule 7.1A at an issue price which is not less than 75% of the volume weighted average market (closing) price of the Company's ordinary shares calculated over the last fifteen (15) days on which trades of the Company's ordinary shares were recorded on ASX immediately before the date on which the issue price is agreed or the date the issue is made as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting."

Voting Exclusion Statement:

The Company will disregard any votes cast of Resolution 13 by:

- *a person who may participate in the in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; and*
- *an associate of those persons.*

However, the Company will 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.*

Resolution 14 – Increase in Maximum Level of Non-Executive Directors Remuneration

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

“THAT, for the purposes of the Company’s Constitution and ASX Listing Rule 10.17, the maximum aggregate remuneration payable to Directors as Directors fees be increased from \$200,000 to \$300,000 for each financial year commencing on 1 July 2012 and to be allocated between the Directors in such proportion as the Board may determine”

Voting Exclusion Statement:

The Company will disregard any votes cast of Resolution 14 by:

- *a Director of the Company;*
- *an associate of those persons; and*
- *as a proxy by a Restricted Voter.*

However, the Company will 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, pursuant to an express authorisation on the proxy form.*

Additional Voting Note to Resolutions 1, 9 and 14

If you appoint the person chairing the meeting and you are not a Restricted Voter, by marking the box on, and submitting, the Proxy Form you authorise the person chairing the meeting (the Chair) to exercise the proxy even though Resolutions 1, 9 and 14 are connected directly or indirectly with the remuneration of a member of the Company’s key management personnel, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolutions 1, 9 and 14. If you have appointed the Chair as your proxy he or she can only cast your votes on Resolution 1, 9 and 14 if you expressly authorise him or her to do so by marking the box on the proxy form or if you direct the Chair how to vote by marking either ‘for’, ‘against’ or ‘abstain’ for each of those items of business.

By the order of the Board

Mr Adrien Wing
Company Secretary

Dated: 24 October 2012

The accompanying Explanatory Memorandum and the Proxy Form and Voting Instructions form part of this Notice of Meeting.

PROXY AND VOTING INSTRUCTIONS

Proxy Instructions

A member who is entitled to vote at a meeting may appoint:

- (a) one proxy if the member is only entitled to one vote; and
- (b) one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged at the registered office of the Company or sent by facsimile transmission to the Company's registered office on 03 9614 0550 not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

A proxy form is attached to this Notice.

If you sign the proxy form and do not appoint a proxy, you will have appointed the Chair of the meeting as your proxy. In that case, your shares will not be voted on Resolution 1 (Remuneration Report) unless you direct the Chair how to vote by marking the appropriate box on the proxy form or otherwise indicate your express consent to the Chair voting your votes on Resolution 1.

Corporate Representatives

Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the chairperson of the Meeting) a natural person to act as its representative at any general meeting.

Voting Entitlement

For the purposes of the Corporations Act and Corporations Regulations shareholders entered on the Company's Register of Members as at 7.00pm, 25 November 2012 (Melbourne, Victoria time) are entitled to attend and vote at the meeting.

On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

How the Chair Will Vote Undirected Proxies

The Chair of the meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions. However, any undirected proxies held by the Chair of the meeting will not be voted on Resolutions 1, 9 and 14 unless the express consent of the shareholder is given in the proxy appointment.

Proxies that are Undirected on Resolutions 1, 9 and 14

If you appoint the Chair of the meeting as your proxy (or if he may be appointed by default) and do not either (a) direct the Chair how to vote on Resolutions 1, 9 and 14; or (b) provide your express consent to the Chair voting your undirected proxy on Resolutions 1, 9 or 14; the Chair will not vote your proxy on those items of business. Accordingly, if you appoint the Chair of the meeting as your proxy (or if he may be appointed by default) and you want your shares to be voted on that item of business, you should either (a) direct the Chair how to vote on Resolutions 1, 9 and 14 (Remuneration Report); or (b) tick the box on the proxy form to confirm your consent to the Chair voting your undirected proxy on Resolutions 1, 9 and 14.

Other directors of the Company, any other of its key management personnel or any of their closely related parties will not be able to vote undirected proxies held by them on Resolutions 1, 9 and 14. Key management personnel of the Company comprise the directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.

The Remuneration Report identifies key management personnel for the year ending 30 June 2012. Their closely related parties are defined in the Corporations Act 2001 (Cth) and include specified family members, dependents and companies they control.

NEW AGE EXPLORATION LIMITED
ABN 65 004 749 508
("the Company")

2012 ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

PURPOSE OF INFORMATION

This Explanatory Memorandum ("this Memorandum") accompanies and forms part of the Company's Notice of the 2012 Annual General Meeting to be held at the Theatrette, RACV Club, 501 Bourke Street, Melbourne, 3000 on 28 November 2012 at 10.00am (Melbourne, Victoria time). The Notice of 2012 Annual General Meeting incorporates, and should be read together with, this Memorandum.

2012 Annual Financial Statements

The 2012 Annual Financial Statements, comprising the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2012 will be laid before the meeting. There is no requirement for shareholders to approve the Annual Financial Statements. However, shareholders will have the opportunity to ask questions about or make comments on the 2012 Annual Financial Statements and the management of the Company. A representative of the auditor will be invited to attend to answer questions about the audit of the Company's 2012 Annual Financial Statements.

The Company's 2012 Annual Financial Statements are set out in the Company's 2012 Annual Report which can be obtained from the Company's website, www.nae.net.au or upon request to the Secretary at the Company's registered office, Level 17, 500 Collins Street, Melbourne, Victoria, 3000 (telephone (03) 9614 0600).

Resolution 1 – Adoption of Remuneration Report

The Company is required, pursuant to the Corporations Act 2001, to propose a non-binding resolution regarding the Remuneration Report, which forms part of the Directors' Report in the Annual Financial Statements. The Remuneration Report sets out the Company's remuneration arrangements for directors.

Shareholders attending the 2012 Annual General Meeting of the Company will have an opportunity to discuss and put questions in respect of the Remuneration Report. In addition, shareholders will be asked to vote on the Remuneration Report.

This resolution is advisory only and does not bind the Company or its directors. The Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. 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 annual general meetings ("AGMs"), shareholders will be required to vote at the second of those AGM's 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 and CEO) must be put up for re-election. The vote on the Remuneration Report contained in the Company's 2011 Annual Financial Statements was passed with the support of more than 75% of votes thus a spill resolution will not be required in the event that 25% or more of votes that are cast are against the adoption of the 2012 Remuneration Report. However, in the event that 25% or more of votes that are cast are against the adoption of the 2012 Remuneration Report, shareholders should be aware that if there is a 'no' vote of 25% or more at the same resolution at the 2013 Annual General Meeting the consequences are that it may result in the re-election of the Board.

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not

cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you mark the box on, and submit, the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration the Company's key management personnel. By marking the box on, and submitting, the Proxy Form you will be taken to have directed the Chair of the meeting to vote in accordance with the Chair's stated intention to vote in favour of Resolution 1.

Shareholders are urged to carefully read the Proxy Form.

Resolution 2 – Re-Election of Director - Mr Adrien Wing

Pursuant to the Constitution of the Company, one-third of the Directors or, if their number is not a multiple of three, the number nearest to one-third, except the Managing Director, are required to retire by rotation at each Annual General Meeting. The Company has five directors, one of whom is the Managing Director. Accordingly, one director is required to retire by rotation at the 2012 Annual General Meeting.

Additionally, under ASX Listing Rule 14.4, a director must not hold office without re-election past the third annual general meeting following the director's appointment, or three years whichever is longer. A director who retires in accordance with these provisions is eligible for re-election.

Accordingly, Mr Adrien Wing, who was last re-elected at the Company's 2010 Annual General Meeting, retires by rotation and, being eligible, offers himself for re-election.

The non-candidate directors unanimously support the re-election of Mr Adrien Wing.

Resolution 3 – Re-Election of Director - Mr Michael Amundsen

In accordance with the Company's Constitution a Director appointed to fill a casual vacancy will hold office until the next annual general meeting of the Company when the Director may be re-elected.

Mr Michael Amundsen was appointed as a Director of the Company to fill a casual vacancy on 9 February 2012. Resolution 3 has been proposed to seek shareholder approval for Mr Amundsen's appointment.

Michael has over 30 years experience in the global resource industry. In 2009-2012 Michael was the CEO and Managing Director of ASX listed FerrAus Limited (ASX:FRS) which was acquired by Atlas Iron Limited. Prior to this Michael held senior business development roles in BHP Billiton Carbon Steels Materials Group including coking coal and iron ore businesses. During his 28 year career with BHP Billiton, Michael held numerous positions in business development, finance, planning and strategy. Early in his career Michael was based in Brisbane and Hong Kong managing coal marketing to Asian customers and later coal acquisitions and joint ventures. Whilst with BHP Billiton, Michael spent 7 years on the Board of the Brazilian iron ore producer Samarco (a 50:50) joint venture between Vale and BHP Billiton.

The non-candidate directors unanimously support the re-election of Mr Michael Amundsen.

Resolution 4 - Ratification of prior issue of shares – Mr Chee Siew Yaw

Resolution 4 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 11,650,000 shares to Mr Chee Siew Yaw, one of the Company's major shareholders.

The shares were issued to Mr Yaw at an issue price of 10 cents (\$0.10) per share on 15 May 2012 and were the subject of an announcement to ASX on the same date.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion

to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the previous issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.

By ratifying the prior issue of 11,650,000 shares to Mr Yaw, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity without the requirement to obtain prior shareholder approval.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- The number of securities previously issued was 11,650,000 shares.
- The issue price of the securities is 10 cents (\$0.10) per share.
- The securities issued were fully paid ordinary shares in the Company having the same terms and rights as, and ranking equally with, the Company's existing listed fully paid ordinary shares.
- The securities were issued to Mr Yaw.
- Funds raised through the issue were used to fund the development of existing assets in Colombia and other opportunities, costs of the offer to Mr Yaw and otherwise applied to the working capital requirements of the Company.

Resolution 5 – Ratification of prior issue of shares – Carbones Terranova Ltda.

Resolution 5 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 88,597 shares to Carbones Terranova Ltda ("Carbones Terranova"), a company incorporated in Colombia.

The shares were issued to Carbones Terranova at a deemed issue price of 11 cents (\$0.11) per share on 28 November 2011 and were the subject of an announcement to ASX on the same date.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the previous issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.

By ratifying the prior issue of 88,597 shares to Carbones Terranova, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity without the requirement to obtain prior shareholder approval.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- The number of securities previously issued was 88,597 shares.
- The deemed issue price of the securities is 11 cents (\$0.11) per share.

- The securities issued were fully paid ordinary shares in the Company having the same terms and rights as, and ranking equally with, the Company's existing listed fully paid ordinary shares.
- The securities were issued to Carbones Terranova.
- No funds were raised through the issue. The shares were issued as consideration under the binding agreement with Carbones Terranova and Carbones de Canada Ltda. granting the Company the right to mine coal within mining (*exploitation*) contract 887T in the Subachoque Syncline. The details of that binding agreement (including the details of payments to be made under the agreement) were the subject of detailed announcement by the Company to ASX on 10 August 2011.

Resolution 6 – Ratification of prior issue of options – Insync Equity Services Pty Ltd

Resolution 6 seeks shareholder approval pursuant to ASX Listing Rule 7.4 for the prior issue of 1,500,000 options issued to Insync Equity Services Pty Ltd [ACN 114 328 988] (“Insync Equity Services”) on 4 January 2012 in consideration of investor relation services provided to the Company pursuant to a consultancy agreement.

Each of the options the subject of Resolution 6 has an exercise price of 25 cents (\$0.25) and an expiry date of 6 December 2013. Full terms of the options the subject of Resolution 6 are set out in Annexure A.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the previous issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.

By approving the prior issue of 1,500,000 options the subject of Resolution 6, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity without the requirement to obtain prior shareholder approval.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- The number of securities issued was 1,500,000 unlisted options.
- The options had a nil issue price.
- The securities issued are options each of which entitles the recipient to acquire, upon exercise prior to the expiry date, one fully paid ordinary share in the issued capital of the Company. The terms of the options are set out in detail in Annexure A.
- The options the subject of Resolution 6 were issued to Insync Equity Services in connection with services provided to the Company under a consultancy agreement.
- There were no funds raised by the issue of the securities. Any funds received upon exercise of the options will be applied to working capital requirements of the Company at the time of exercise.

Resolution 7 – Ratification of prior issue of options – Black Associates Pty Ltd

Resolution 7 seeks shareholder approval pursuant to ASX Listing Rule 7.4 for the prior issue of 200,000 options issued to Black Associates Pty Ltd [ACN 098 453 779] (“Black Associates”) on 31 January 2012 in consideration of management services provided to the Company pursuant to a consultancy agreement.

Each of the options the subject of Resolution 7 has an exercise price of 14 cents (\$0.14) and an expiry date of 1 September 2014. Full terms of the options the subject of Resolution 7 are set out in Annexure B.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 provides that where a company’s shareholders ratify the previous issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.

By approving the prior issue of 200,000 options the subject of Resolution 7, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity without the requirement to obtain prior shareholder approval.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- The number of securities issued was 200,000 unlisted options.
- The options had a nil issue price.
- The securities issued are options each of which entitles the recipient to acquire, upon exercise prior to the expiry date, one fully paid ordinary share in the issued capital of the Company. The terms of the options are set out in detail in Annexure B.
- The options the subject of Resolution 7 were issued to Black Associates in connection with services provided to the Company under a consultancy agreement.
- There were no funds raised by the issue of the securities. Any funds received upon exercise of the options will be applied to working capital requirements of the Company at the time of exercise.

Resolution 8 – Ratification of prior issue of options – GJ Kemp & Associates Pty Ltd

Resolution 8 seeks shareholder approval pursuant to ASX Listing Rule 7.4 for the prior issue of 400,000 options issued to GJ Kemp & Associates Pty Ltd [ACN 077 144 211] (“GJ Kemp and Associates”) on 14 February 2012 in consideration of management services provided to the Company pursuant to a consultancy agreement.

Each of the options the subject of Resolution 8 has an exercise price of 12.5 cents (\$0.125) and an expiry date of 2 February 2014. Full terms of the options the subject of Resolution 8 are set out in Annexure C.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the previous issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.

By approving the prior issue of 400,000 options the subject of Resolution 8, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity without the requirement to obtain prior shareholder approval.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- The number of securities issued was 400,000 unlisted options.
- The options had a nil issue price.
- The securities issued are options each of which entitles the recipient to acquire, upon exercise prior to the expiry date, one fully paid ordinary share in the issued capital of the Company. The terms of the options are set out in detail in Annexure C.
- The options the subject of Resolution 8 were issued to GJ Kemp & Associates in connection with services provided to the Company under a consultancy agreement.
- There were no funds raised by the issue of the securities. Any funds received upon exercise of the options will be applied to working capital requirements of the Company at the time of exercise.

Resolution 9 - Issue of Options – Mr Michael Amundsen

Resolution 9 is proposed to obtain shareholder approval under Listing Rule 10.11 for the issue of 750,000 unlisted options to Mr Michael Amundsen, a Director of the Company (or his nominee/s). Mr Amundsen was appointed to the Board on 9 February 2012. The options the subject of Resolution 9 will be exercisable at fourteen cents (\$0.14) each on, or before, 6 February 2015. Each option will, upon exercise, entitle the holder to one fully paid ordinary share. Full terms of the options are set out in Annexure D.

As at the date of the Notice of Meeting, neither Mr Amundsen nor any of his associates currently hold an interest in any of the Company's shares or options.

ASX Listing Rule 7.1 requires the prior approval of shareholders in general meeting to issue securities if the number of those securities exceeds 15% of the number of the same class of securities at the commencement of the relevant 12 month period. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1. Therefore, by obtaining shareholder approval sought through Resolution 5, the Company retains the ability to issue further shares or options of up to 15% of its ordinary shares under Chapter 7 of the ASX Listing Rules to take advantage of opportunities to obtain further funds if required and available in the future.

ASX Listing Rule 10.13 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 10.11 must include the following information:

- The options the subject of Resolution 9 are to be issued to Mr Michael Amundsen, a Director of the Company (or his nominee/s).
- The maximum number of options to be issued under Resolution 9 is 750,000.
- The Company will issue the options the subject to Resolution 9 within 1 month after the date of the meeting.

- Mr Michael Amundsen is a Director of the Company.
- The options the subject of Resolution 9 have a nil issue price and are issued on the terms set out in Annexure D.
- A voting exclusion statement is contained in the Notice of Meeting.
- No funds will be raised through the issue of the options the subject of Resolution 9. Funds raised on the exercise of the options will be applied to the working capital requirements of the Company at the time of exercise.

Note that a voting exclusion applies to Resolution 9 in the terms set out in the Notice of Meeting. In particular, Restricted Voters must not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and you mark the box on, and submit, the Proxy Form authorising the Chair to exercise the proxy even though Resolution 9 is connected directly or indirectly with the remuneration of a member of the Company's key management personnel. By marking the box on, and submitting, the Proxy Form you will be taken to have directed the Chair of the meeting to vote in accordance with the Chair's stated intention to vote in favour of Resolution 9. Shareholders are urged to carefully read the Proxy Form. Shareholders are urged to carefully read the Proxy Form.

Resolution 10 – Ratification of prior issue of tranche one placement shares

Resolution 10 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 7,000,000 ordinary shares to three Australian based investors who are clients of JA Advisory Pty Ltd, a Sydney based equity advisory group. The shares were issued to the recipients at an issue price of 6.5 cents (\$0.065) per share on 25 October 2012.

The shares the subject of Resolution 10 were the first tranche of the \$7.5 million placement announced by the Company to the ASX on 22 October 2012. The placement is proposed to involve the issue of an aggregate of 115,384,616 shares in three tranches. Resolutions 11 and 12 of the Notice of Meeting seek shareholder approval for the second tranche of the proposed placement. Shareholder approval for the third tranche of the placement will be sought at a separate shareholder meeting expected to be convened in late December 2012 or January 2013.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the previous issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.

By ratifying the prior issue of 7,000,000 shares the subject of Resolution 10 the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity without the requirement to obtain prior shareholder approval.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- The number of securities previously issued was 7,000,000 ordinary shares.
- The issue price of the securities is 6.5 cents (\$0.065) per share.

- The securities issued were fully paid ordinary shares in the Company having the same terms and rights as, and ranking equally with, the Company's existing listed fully paid ordinary shares.
- The securities were issued to three Australian based professional or sophisticated investors who are clients of JA Advisory Pty Ltd, a Sydney based equity advisory group engaged to assist the Company in completion of the placement.
- Funds raised through the issue of the shares the subject of Resolution 10 will be applied to working capital requirements of the Company, including the development of the Lochinvar coking coal project, development of its Colombian projects and other new opportunities/acquisitions.

Resolution 11 – Approval for issue of placement shares

This Resolution is proposed to obtain shareholder approval for the issue of up to 48,781,692 fully paid ordinary shares at an issue price of \$0.065 (6.5 cents) to eight separate professional and sophisticated investors as follows:

- an aggregate of 27,474,000 shares to six United Kingdom based investors who are clients of Ocean Equities Ltd, a London based institution broker;
- 11,307,692 shares to an Australian institutional investor who is a client of Patersons Securities Limited; and
- 10,000,000 to an Australian based investor who is a client of JA Advisory Pty Ltd.

The shares the subject of this Resolution 11, together with the shares the subject of Resolution 12, form the second tranche of shares to be issued in connection with the \$7.5 million share placement announced by the Company to ASX on 22 October 2012.

As set out in the Company's announcement to ASX on 22 October 2012, the third tranche of the placement is proposed to involve the issue of a further 29,408,949 shares. A separate shareholder approval will be sought for the issue of the third tranche shares at a shareholder meeting which is expected to be convened in late December 2012 or January 2013.

ASX Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities (e.g. shares or options) which amount to more than 15% of its ordinary securities in a rolling 12 month period without the approval of its shareholders. Furthermore, equity securities issued with the approval of holders of a company's ordinary securities in accordance with ASX Listing Rule 7.1 are not then required to be included in the 15% limit imposed by ASX Listing Rule 7.1.

Resolution 11 seeks approval for the issue of up to 48,781,692 new ordinary fully paid shares for the purposes of Listing Rule 7.1. By seeking shareholder approval for the shares the subject of Resolution 11 the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity without the requirement to obtain prior shareholder approval.

ASX Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- The maximum number of shares which will be issued under the approval sought through Resolution 11 is 48,781,692.
- The Company will issue the shares the subject of Resolution 11 within 3 months of shareholder approval.

- The issue price of the shares is 6.5 cents (\$0.065) per share.
- As described above, the allottees of the shares will be eight separate professional and sophisticated investors based in both Australia and the United Kingdom, being clients of Australian and London based broker firms engaged by the Company to assist with completion of the placement.
- Shares issued under this Resolution 11 will rank equally in all respects with the Company's existing ordinary shares.
- A voting exclusion statement is contained in the Notice of Meeting.
- Funds raised through the issue of the shares the subject of Resolution 11 will be applied to working capital requirements of the Company, including the development of the Lochinvar coking coal project, development of its Colombian projects and other new opportunities/acquisitions.

Resolution 12 – Approval for issue of placement shares to Resource Capital Fund V L.P.

This Resolution is proposed to obtain shareholder approval for the issue of up to 28,809,359 fully paid ordinary shares at an issue price of \$0.065 (6.5 cents) to Resource Capital Fund V. L.P (a company with its principal office located in Denver, USA) ("RCF V").

The shares the subject of this Resolution 12 form part of the second tranche of shares to be issued in connection with the \$7.5 million share placement announced by the Company to ASX on 22 October 2012. Approval for the issue of the balance of the second tranche of the placement is sought through Resolution 11 of the Notice of Meeting. The issue of shares under this Resolution 12 is condition upon shareholders approving Resolution 11. As at the date of the Notice of Meeting RCF V held an existing interest in 11.6% of the Company's voting shares. Upon completion of the second tranche of the placement RCF V will hold an interest in 19.9% of the Company's voting shares.

As set out in the Company's announcement to ASX on 22 October 2012, the third tranche of the placement is proposed to involve the issue of a further 29,408,949 ordinary shares to RCF V which would result in its interest in the voting shares of the Company increasing to approximately 29%. A separate shareholder approval will be sought for the issue of the third tranche shares to RCF V at a shareholder meeting which is expected to be convened in late December 2012 or January 2013. ASX Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities (e.g. shares or options) which amount to more than 15% of its ordinary securities in a rolling 12 month period without the approval of its shareholders. Furthermore, equity securities issued with the approval of holders of a company's ordinary securities in accordance with ASX Listing Rule 7.1 are not then required to be included in the 15% limit imposed by ASX Listing Rule 7.1.

Resolution 12 seeks approval for the issue of up to 28,809,359 new ordinary fully paid shares for the purposes of Listing Rule 7.1. By seeking shareholder approval for the shares the subject of Resolution 12 the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity without the requirement to obtain prior shareholder approval.

ASX Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- The maximum number of shares which will be issued under the approval sought through Resolution 12 is 28,809,359.
- The Company will issue the shares the subject of Resolution 12 within 3 months of shareholder approval.

- The issue price of the shares is 6.5 cents (\$0.065) per share.
- The allottee of the shares will be Resource Capital Fund V. L.P.
- Shares issued under this Resolution 12 will rank equally in all respects with the Company's existing ordinary shares.
- A voting exclusion statement is contained in the Notice of Meeting.
- Funds raised through the issue of the shares the subject of Resolution 10 will be applied to working capital requirements of the Company, including the development of the Lochinvar coking coal project, development of its Colombian projects and other new opportunities/acquisitions.

Resolution 13 – Approval of Placement Facility

Under ASX Listing Rule 7.1A certain companies may seek shareholder approval by special resolution passed at an annual general meeting to have the additional capacity to issue equity securities which do not exceed 10% of the existing ordinary share capital without further shareholder approval.

Approval under this Resolution 13 is sought for the Company to issue ordinary shares under Listing Rule 7.1A.

If Resolution 13 is approved the Company may make an issue of ordinary shares under Listing Rule 7.1A at any time (either on a single date or progressively) up until the earlier of:

- the date which is 12 months after the date of the 2012 Annual General Meeting; or
- the date on which shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

Accordingly, the approval given if this Resolution 13 is passed will cease to be valid on the earlier of 28 November 2013 or the date on which holders of the Company's ordinary securities approve a transaction under Listing Rule 11.1.2 or 11.2.

At the date of this Memorandum, the Company is an 'eligible entity', and therefore able to seek approval under Listing Rule 7.1A, as it is not included in the S&P/ASX300 and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million). If at the time of the Annual General Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

The maximum number of ordinary shares which may be issued in the capital of the Company under the approval sought by this Resolution 13 will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

$$(A \times D) - E$$

where:

A is the number of shares on issue 12 months before the date of issue or agreement to issue:

(i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;

(ii) plus the number of partly paid shares that became fully paid in the 12 months;

(iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4 (this does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval);

(iv) less the number of fully paid shares cancelled in the 12 months.

D is 10%

E is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The ability of the Company to make an issue under Listing Rule 7.1A is in addition to its 15% placement capacity under Listing Rule 7.1. The effect of Resolution 13 will be to allow the Company to issue ordinary shares under Listing Rule 7.1A without using the Company's 15% placement capacity under Listing Rule 7.1.

As at the date of this Memorandum, the Company has on issue 149,902,828 ordinary shares and therefore has capacity to issue:

- 22,485,424 equity securities under Listing Rule 7.1; and
- subject to shareholder approval being sought under Resolution 13, 14,990,282 ordinary shares under Listing Rule 7.1A.

The actual number of shares which may be issued under Listing Rule 7.1A (and Listing Rule 7.1) will be a function of the number of shares on issue at the time an issue is proposed as calculated per the formula set out above.

The issue price of the ordinary shares issued under Listing Rule 7.1A will be determined at the time of issue. The minimum price at which the ordinary shares the subject of this Resolution 13 will be issued is 75% of the volume weighted average market (closing) price ("VWAP") of the Company's ordinary shares over the 15 days on which trades in that class were recorded immediately before either:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within 5 ASX trading days of the date in paragraph (a) the date on which the securities are issued.

If this Resolution is approved, and the Company issues ordinary shares under Listing Rule 7.1A, the existing shareholders' voting power in the Company will be diluted. There is a risk that:

- the market price for the Company's ordinary shares may be significantly lower on the issue date than on the date of the approval of this Resolution; and
- the ordinary shares issued under Listing Rule 7.1A may be issued at a price that is at a discount (as described above) to market price for the Company's ordinary shares on the issue date;

which may have an effect on the amount of funds raised by the issue.

The table set out below shows the dilution of existing shareholders on the basis of:

- The current market price of the Company's ordinary shares and the current number of ordinary securities as at the date of this Memorandum.

- Two examples where the number of ordinary shares on issue (“A” in the formula set out above) has increased by 108,384,616 shares (being the number of shares proposed to be issued, subject to shareholder approval, under the placement announced to ASX on 22 October 2012) and 100% (i.e. doubled) . The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require shareholder approval (for example, pro-rata entitlements issues) or as a result of future placements under Listing Rule 7.1 that are approved by shareholders.
- Two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price as at the date of this Memorandum.

			Dilution		
			50% decrease in issue price	Issue Price **	50% increase in issue price
Variable “A” Listing Rule 7.1A2	“A” is the current number of shares on issue 149,902,828 shares	10% voting dilution	14,990,028 shares	14,990,028 shares	14,990,028 shares
		Funds raised	\$487,184	\$1,974,368	\$1,461,552
	“A” has increased by 108,384,616 shares resulting in a total of 258,287,444 shares on issue *	10% voting dilution	25,828,744 shares	25,828,744 shares	25,828,744 shares
		Funds raised	\$839,434	\$1,678,868	\$2,518,302
	“A” is a 100% increase in current shares on issue to a total of 299,805,656 shares on issue **	10% voting dilution	29,980,565 shares	29,980,565 shares	29,980,565 shares
		Funds raised	\$974,368	\$1,948,736	\$2,923,105

Notes:

- The table assumes that the Company issues the maximum number of ordinary shares available under Listing Rule 7.1A.
- The table assumes that no options are exercised in ordinary shares before the date of the issue of ordinary shares under Listing Rule 7.1A.
- The table does not show an example of dilution that may be caused to a particular shareholder by reason of issues of ordinary shares under Listing Rule 7.1A based on that shareholder’s holding at the date of this Memorandum.
- The table shows the effect of an issue of ordinary shares under Listing Rule 7.1A, not under the Company’s 15% placement capacity under Listing Rule 7.1.

* Any issue of ordinary shares is required to be made in accordance with the ASX Listing Rules. Any issue made other than under the Company 15% capacity (Listing Rule 7.1) or the Company’s additional 10% capacity (Listing Rule 7.1A) and not otherwise made under an exception in Listing Rule 7.2 (for example, a pro-rata rights issue) would require shareholder approval.

** Based on closing price of the Company’s shares on ASX on 23 October 2012 (6.5 cents)

If this Resolution is approved the Company will have the ability to issue up to 10% of its issued capital without further shareholder approval and therefore allow it to take advantage of opportunities to obtain further funds if required and available in the future.

As at the date of this Memorandum the Company has not formed an intention to offer any ordinary shares under Listing Rule 7.1A to any particular person or at any particular time. The total amount that may be raised by the issue of equity securities under Listing Rule 7.1A will depend on the issue price of the ordinary shares which will be determined at the time of issue. In some circumstances the Company may issue ordinary shares under Listing Rule 7.1A for non-cash consideration (for example,

in lieu of cash payments to consultants, suppliers or vendors). While the Company has not formed an intention to offer any ordinary shares under Listing Rule 7.1A, some of the purposes for which the Company may issue ordinary shares under Listing Rule 7.1A include (but are not limited to):

- Raising funds to be applied to the Company's working capital requirements.
- Acquiring assets. In these circumstances the issue of the ordinary shares may be made in substitution for the Company making cash payment for the assets. If the Company elects to issue the ordinary shares for the purpose of acquiring assets then the Company will release to the market a valuation of the assets prior to issuing the shares.
- Paying suppliers or consultants of the Company.

Details regarding the purposes for which any particular issue under Listing Rule 7.1A is made will be more fully detailed in an announcement to the ASX made pursuant to Listing Rule 7.1A4 and Listing Rule 3.10.5A at the time the issue is made. The identity of the allottees of ordinary shares under Listing Rule 7.1A will be determined at the time the Company decides to make an issue having regard to a number of factors including:

- the capital raising and acquisition opportunities available to the Company and any alternative methods for raising funds or acquiring assets that are available to the Company;
- the potential effect on the control of the Company;
- the Company's financial situation and the likely future capital requirements; and
- advice from the Company's corporate or financial advisors.

Offers made under Listing Rule 7.1A may be made to parties including professional and sophisticated investors, existing shareholders of the Company, clients of Australian Financial Service License holders and/or their nominees, or any other person to whom the Company is able to make an offer of ordinary shares.

The allocation policy the Company may adopt for a particular issue of ordinary shares under Listing Rule 7.1A and the terms on which those ordinary shares may be offered will depend upon the circumstances existing at the time of the proposed capital raising under Listing Rule 7.1A. Subject to the requirements of the ASX Listing Rules and the Corporations Act, the Directors reserve the right to determine, at the time of any issue of ordinary shares under Listing Rule 7.1A, the allocation policy the Company will adopt for that issue.

The Company has not previously obtained the approval of ordinary shareholders for the issue of ordinary shares under Listing Rule 7.1A.

This Resolution is a special resolution. For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution.

The Directors of the Company believe that Resolution 13 is in the best interests of the Company and unanimously recommend that shareholders vote in favour of this Resolution.

A voting exclusion statement is set out in the Notice of Meeting.

Resolution 14 – Increase in Maximum Level of Non-Executive Directors Remuneration

Listing Rule 10.17 and the Company's Constitution provide that the maximum aggregate amount of the remuneration payable as Directors fees to non-executive Directors is to be determined by shareholders in a general meeting.

Non-Executive Directors remuneration may include an incentive portion consisting of bonuses and/or options as considered appropriate by the Board, which may be subject to shareholder approval.

This Resolution seeks shareholder approval to increase the maximum aggregate Directors fees payable to non-executive Director in each financial year from 1 July 2012 to \$300,000 (an increase of \$100,000). No increase has been sought in the maximum aggregate non-executive Director remuneration since the current level of remuneration was approved on 20 July 2006.

The higher maximum aggregate remuneration is being sought to allow the Company the flexibility to increase the number of non-executive director appointments, whilst providing accommodation for future fee increases in line with industry standards.

Note that a voting exclusion applies to Resolution 14 in the terms set out in the Notice of Meeting. In particular, Restricted Voters must not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and you mark the box on, and submit, the Proxy Form authorising the Chair to exercise the proxy even though Resolution 14 is connected directly or indirectly with the remuneration of a member of the Company's key management personnel. By marking the box on, and submitting, the Proxy Form you will be taken to have directed the Chair of the meeting to vote in accordance with the Chair's stated intention to vote in favour of Resolution 14. Shareholders are urged to carefully read the Proxy Form. Shareholders are urged to carefully read the Proxy Form.

ANNEXURE A – OPTION TERMS (RESOLUTION 6)

- (a) Each option entitles the holder to acquire one ordinary fully paid share in the capital of the Company.
- (b) Each option will have an exercise price of fourteen cents (\$0.25) each.
- (c) The options are exercisable at any time prior to 5:00 pm Melbourne time on 6 December 2013 ("the Expiry Date") by completing the option exercise form and delivering it together with the payment for the number of shares in respect of which the options are exercised to the registered office of the Company. Any option that has not been exercised prior to the Expiry Date automatically lapses. Holders shall not be entitled to exercise their options (and the Company will not be required to issue shares upon such exercise) if it would be unlawful to do so.
- (d) The exercise price of the options is 25 cents (\$0.25) per option payable in full on exercise.
- (e) Subject to the Corporations Act, the ASX Listing Rules, and the Constitution of the Company and unless otherwise specified at the time of issue, options are freely transferable. All shares issued upon exercise of options will rank pari passu in all respects with, and will have the same terms as, the Company's then issued ordinary fully paid Shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of options, subject to any restriction obligations imposed by ASX.
- (f) The options will not give any right to participate in dividends until shares are issued pursuant to the exercise of the relevant options.
- (g) There are no participation rights or entitlements inherent in the options. Option holders are not entitled to participate in new issues of securities offered to shareholders without first exercising the options. Subject to any waiver granted by ASX, the Company will send notices to option holders at least five business days prior to the record date applying to offers of securities made to shareholders during the currency of the options.
- (h) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of options or the exercise price of the options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.

ANNEXURE B – OPTION TERMS (RESOLUTION 7)

- (a) Each option entitles the holder to acquire one ordinary fully paid share in the capital of the Company.
- (b) Each option will have an exercise price of fourteen cents (\$0.14) each.
- (c) The options are exercisable at any time prior to 5:00 pm Melbourne time on 1 September 2014 ("the Expiry Date") by completing the option exercise form and delivering it together with the payment for the number of shares in respect of which the options are exercised to the registered office of the Company. Any option that has not been exercised prior to the Expiry Date automatically lapses. Holders shall not be entitled to exercise their options (and the Company will not be required to issue shares upon such exercise) if it would be unlawful to do so.
- (d) The exercise price of the options is 14 cents (\$0.14) per option payable in full on exercise.
- (e) Subject to the Corporations Act, the ASX Listing Rules, and the Constitution of the Company and unless otherwise specified at the time of issue, options are freely transferable. All shares issued upon exercise of options will rank pari passu in all respects with, and will have the same terms as, the Company's then issued ordinary fully paid Shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of options, subject to any restriction obligations imposed by ASX.
- (f) The options will not give any right to participate in dividends until shares are issued pursuant to the exercise of the relevant options.
- (g) There are no participation rights or entitlements inherent in the options. Option holders are not entitled to participate in new issues of securities offered to shareholders without first exercising the options. Subject to any waiver granted by ASX, the Company will send notices to option holders at least five business days prior to the record date applying to offers of securities made to shareholders during the currency of the options.
- (h) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of options or the exercise price of the options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.

ANNEXURE C – OPTION TERMS (RESOLUTION 8)

- (a) Each option entitles the holder to acquire one ordinary fully paid share in the capital of the Company.
- (b) Each option will have an exercise price of fourteen cents (\$0.125) each.
- (c) The options are exercisable at any time prior to 5:00 pm Melbourne time on 23 February 2014 ("the Expiry Date") by completing the option exercise form and delivering it together with the payment for the number of shares in respect of which the options are exercised to the registered office of the Company. Any option that has not been exercised prior to the Expiry Date automatically lapses. Holders shall not be entitled to exercise their options (and the Company will not be required to issue shares upon such exercise) if it would be unlawful to do so.
- (d) The exercise price of the options is 12.5 cents (\$0.125) per option payable in full on exercise.
- (e) Subject to the Corporations Act, the ASX Listing Rules, and the Constitution of the Company and unless otherwise specified at the time of issue, options are freely transferable. All shares issued upon exercise of options will rank pari passu in all respects with, and will have the same terms as, the Company's then issued ordinary fully paid Shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of options, subject to any restriction obligations imposed by ASX.
- (f) The options will not give any right to participate in dividends until shares are issued pursuant to the exercise of the relevant options.
- (g) There are no participation rights or entitlements inherent in the options. Option holders are not entitled to participate in new issues of securities offered to shareholders without first exercising the options. Subject to any waiver granted by ASX, the Company will send notices to option holders at least five business days prior to the record date applying to offers of securities made to shareholders during the currency of the options.
- (h) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of options or the exercise price of the options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.

ANNEXURE D – OPTION TERMS (RESOLUTION 9)

- (a) Each option entitles the holder to acquire one ordinary fully paid share in the capital of the Company.
- (b) Each option will have an exercise price of fourteen cents (\$0.14) each.
- (c) The options are exercisable at any time prior to 5:00 pm Melbourne time on 6 February 2015 ("the Expiry Date") by completing the option exercise form and delivering it together with the payment for the number of shares in respect of which the options are exercised to the registered office of the Company. Any option that has not been exercised prior to the Expiry Date automatically lapses. Holders shall not be entitled to exercise their options (and the Company will not be required to issue shares upon such exercise) if it would be unlawful to do so.
- (d) The exercise price of the options is 14 cents (\$0.14) per option payable in full on exercise.
- (e) Subject to the Corporations Act, the ASX Listing Rules, and the Constitution of the Company and unless otherwise specified at the time of issue, options are freely transferable. All shares issued upon exercise of options will rank pari passu in all respects with, and will have the same terms as, the Company's then issued ordinary fully paid Shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of options, subject to any restriction obligations imposed by ASX.
- (f) The options will not give any right to participate in dividends until shares are issued pursuant to the exercise of the relevant options.
- (g) There are no participation rights or entitlements inherent in the options. Option holders are not entitled to participate in new issues of securities offered to shareholders without first exercising the options. Subject to any waiver granted by ASX, the Company will send notices to option holders at least five business days prior to the record date applying to offers of securities made to shareholders during the currency of the options.
- (h) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of options or the exercise price of the options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.

NEW AGE EXPLORATION LIMITED
ABN 65 004 749 508
("the Company")

PROXY FORM

Full name of securityholder(s):.....

Address:.....

I/We being a member/s of New Age Exploration Limited ("**Company**") and entitled to attend and vote at the meeting of the Company to be held at the Theatre, RACV Club, 501 Bourke Street, Melbourne, 3000 on 28 November 2012 at 10.00am (Melbourne time) appoint:

the Chair of the meeting. **OR**

(mark box)

.....
(Full name of proxy or the office of the proxy)

or if the person or body corporate named above fails to attend the meeting, or if no person/body corporate is named, the Chair of the meeting as my/our proxy to attend that meeting and vote on my/our behalf at that meeting and any adjournment or postponement of that meeting in accordance with the following directions (or if no directions have been given, as the proxy sees fit). If two proxies are appointed, the proportion of voting rights this proxy represents is%.

IMPORTANT: Directing the Chair how to vote on Resolution 1, 9 and 14

If you do not mark this box, and you have not directed your proxy how to vote on Resolution 1, 9 and 14, the Chair will not cast your votes on Resolutions 1, 9 and 14 and your votes will not be counted in calculating the required majority if a poll is called on these Resolutions.

If you appoint the Chair of the meeting as your proxy you can direct the Chair how to vote on Resolutions 1, 9 and 14 by either marking the relevant boxes below (for example if you wish to vote "against" or "abstain" from voting) or by marking this box (in which case the Chair will vote in favour of Resolutions 1, 9 and 14. The Chair intends to vote all available proxies in favour of Resolutions 1, 9 and 14.

I/We (except where I/we have indicated a different voting intention below):

- a) direct the Chair of the meeting to vote in accordance with the Chair's voting intentions on Resolutions 1, 9 and 14 to vote in favour of these Resolutions.
- b) authorise, in respect of Resolutions 1, 9 and 14, the Chair of the meeting to vote as described even though Resolutions 1, 9 and 14 are connected directly or indirectly with the remuneration of a member of key management personnel for the Company group; and
- c) acknowledge that the Chair of the meeting may exercise your proxy in respect of Resolutions 1, 9 and 14 even though the Chair has an interest in the outcome of those Resolution and that votes cast by the Chair of the meeting for that Resolution, other than as proxy holder, will be disregarded because of that interest.

VOTING DIRECTIONS FOR YOUR PROXY

To instruct your proxy how to vote, insert 'X' in the appropriate column against each resolution set out below. If you do not instruct your proxy how to vote on a resolution, your proxy may vote as he/she thinks fit or abstain from voting.

I/We direct my/our proxy to vote as indicated below:

		For	Against	Abstain
Resolution 1.	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2.	Re-Election of Director – Mr Adrien Wing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3.	Appointment of Director – Mr Michael Amundsen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4.	Ratification of Prior issue of shares – Mr Chee Siew Yaw	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

