



ACN 006 189 331

3rd March 2003

Dear Yamarna Shareholder,

Enclosed with this letter are a number of important documents that require your careful consideration. Below is a summary of each of these. May I draw to your attention the need to carefully consider the documentation that applies to each item.

1. **Notice of Meeting** – The Company gives notice of a General Meeting of Shareholders. This will be held a Suite 2, 1233 High Street, Armadale, VIC 3143 at 10:00am on Tuesday, 8th April 2003. In essence, the purpose of the meeting is to ratify the recent share placement and to approve participation in this placement by Directors or their associates.
2. **Invitation to participate in Share Purchase Plan** – As approved at the Company's Annual General Meeting in December 2002, the Company is offering all Shareholder's the opportunity to purchase up to \$2,000 worth of new ordinary shares in the Company at a discount to the current market price and without brokerage, commission or other costs. A key goal of this offer is to increase the number of Shareholders who hold marketable parcels of shares in the Company (holdings greater than \$500 in value). This offer has a closing date of 28th March 2003. At an offer price of 0.6c per share and with a maximum number of 110 million new shares available, the Plan will raise up to \$660,000 before costs.
3. **Small Holding Sale Facility** – Following the closing of the Share Purchase Plan as outlined in 2. above, the Company intends, subject to the wishes of affected individual Shareholders, to sell holdings with a market value of less than \$500. The Company currently has in excess of 6,000 Shareholders holding parcels of less than \$500 worth of shares and under the Company's Constitution, as amended at the AGM in 2002, the Company may, subject to Shareholders instructions to the contrary, sell these holdings and remit the proceeds from such sales to Shareholders affected. Should affected Shareholder's not wish to have their holdings sold they must instruct the Company accordingly, using the enclosed form. If you hold more than \$500 worth of shares in the Company you will not be affected by the Small Holding Sale Facility.

Upon the conclusion of the placement, Share Purchase Plan and Small Holding Sale Facility the Company will be well placed to capitalise on opportunities expected to transpire during the remaining part of this year.

Yours faithfully,

Bryan J. Frost
Executive Chairman

YAMARNA GOLDFIELDS LIMITED

ACN 006 189 331

ABN 84 006 189 331

SUITE 2, 1233 HIGH STREET, ARMADALE, VICTORIA 3143 AUSTRALIA

TELEPHONE: +613 9824 8166 FACSIMILE: +613 9824 8161

YAMARNA GOLDFIELDS LIMITED
ABN 84 006 189 331

NOTICE OF MEETING

Notice is given that a General Meeting of Yamarna Goldfields Limited ("the Company") will be held at Suite 2, 1233 High Street, Armadale, Victoria, 3143, on Tuesday, 8th April 2003 at 10:00am.

BUSINESS

RESOLUTION 1: Subsequent Approval of Issue of Shares

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

"That the Company approves the issue of 46.6 million ordinary shares deemed fully paid at an issue price of 0.6 cent (\$0.006) per share, as described in the Information Memorandum."

RESOLUTION 2: Approval of Issue of Shares

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

"That the Company authorises and approves the proposed issue to Directors or their associates of up to 40,000,000 ordinary shares deemed fully paid at an issue price of 0.6 cents (\$0.006) per share, as described in the Information Memorandum."

Dated: 3 March 2003

By Order of the Board



RICHARD REVELINS
Company Secretary

The accompanying Information Memorandum and the following information for shareholders form part of this Notice of Meeting.

INFORMATION FOR SHAREHOLDERS:

VOTING EXCLUSION STATEMENTS

Resolutions: 1 & 2

The Company will disregard any votes cast on Resolution 1 by:

- (a) a person who participated in the issue described in the resolution; or
- (b) an associate of that person.

However, the company need not disregard a vote if:

- ? it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- ? it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Company will disregard any votes cast on Resolution 2 by:

- a) a person who is to receive securities in relation to the entity (ie any Director of the Company); or
- b) an associate of that person.

However, the company need not disregard a vote if:

- ? it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- ? it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

YAMARNA GOLDFIELDS LIMITED
ABN 84 006 189 331

INFORMATION MEMORANDUM

This Information Memorandum forms part of and should be read in conjunction with the attached Notice of Meeting. The Information Memorandum has been prepared to assist shareholders in their consideration of the resolutions proposed in the Notice of Meeting.

Resolution 1: Subsequent Approval of Issue of Shares

On 21 January 2003 the Company announced that it had reached agreement for the private placement of up to 50 million new shares in the capital of the Company to clients of Peregrine Corporate Limited ("PCL") at a subscription price of 0.6 cent (\$0.006) per share. The placement raised \$276,000 before allowing for costs and this sum will be applied predominantly towards working capital purposes. 46.6 million new shares were issued in the placement

Pursuant to Chapter 7 of the ASX Listing Rules a company may, within a 12 month period, allot up to 15% of its issued share capital (whether by way of shares or options) without the need to seek shareholder approval. The allotment of the 46.6 million ordinary shares represented approximately 13% of Yamarna's existing issued capital and the Company is seeking shareholder ratification of this allotment. In the event that shareholders approve the resolution this will reinstate the Company's 15% placement discretion which provides the Company with an ability to move rapidly in securing small placements of capital to take advantage of opportunities as they may arise from time to time. These shares which are the subject of this resolution rank pari passu in all respects with the existing listed fully paid ordinary shares of the Company, and are already quoted on ASX.

Resolution 2: Approval of Proposed Issue of Shares

The Company is seeking shareholder approval for the placement of up to 40 million shares to Directors (or their associates) at a subscription price of 0.6 cents per share, as follows:

| | |
|-------------------------------------|------------|
| Mr Bryan Frost (or associates) | 20,000,000 |
| Mr Richard Revelins (or associates) | 15,000,000 |
| Mr Jim Babbage (or associates) | 5,000,000 |

The securities to be issued will rank equally in all respects with the existing fully paid ordinary shares of the Company. If fully subscribed the placement to Directors and associates will raise approximately \$240,000 before costs and will be predominantly to working capital purposes.

The securities to be issued the subject of Resolution 2 will be issued by the day no later than one month from the date of the meeting and allotments of the securities may take place progressively. The Company will apply for official quotation on ASX of shares the subject of this resolution. The shares will rank pari passu in all respects with the existing listed fully paid ordinary shares of the Company. Application will be made to ASX for quotation of the shares.

For And On Behalf Of The Board



RICHARD REVELINS
Director

YAMARNA GOLDFIELDS LIMITED
ABN 84 006 189 331

PROXY FORM

I/We _____
of _____

being a member(s) of Yamarna Goldfields Limited and entitled to
_____ shares appoint:

Name of Proxy: _____

Address of Proxy: _____

If you do not wish to direct your Proxy how to vote, please place a mark in this box.
By marking this box, you acknowledge that where the Chairman of the Meeting is your proxy, he may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him, other than as proxy holder, will be disregarded because of that interest.
The Chairman intends to vote open proxies in favour of all resolutions.

or in his/her absence, the Chairperson of the meeting as my/our proxy to vote on my/our behalf at the General Meeting of the Company to be held at Suite 2, 1233 High Street, Armadale, Victoria, 3143 on Tuesday, 8th April 2003, at 10:00 am and at any adjournment of that meeting.

If two proxies are appointed, complete the following sentence:

This proxy is authorised to exercise votes/ % of my/our total voting rights.

Proxy Instructions

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. | Subsequent Approval of Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2. | Approval of Proposed Issue of Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

| | |
|--|---|
| <p>If a person:</p> <p>_____</p> <p>(Signature)</p> <p>_____</p> <p>Name (print)</p> <p>Date: ____/____/____</p> | <p>If a company:</p> <p>EXECUTED by: _____</p> <p align="right">Name (print)</p> <p>In accordance with the Corporations Act 2001</p> <p>_____</p> <p>(Signature) (Signature)</p> <p>Date: ____/____/____</p> |
|--|---|

This proxy and any power of attorney or other authority under which it is signed (or a certified copy) must be lodged at:
(a) Suite 2, 1233 High Street, Armadale, Victoria, 3143;
(b) Facsimile number (03) 9824 8161 by 10:00 am, 6 April 2003 being not less than 48 hours before the time for holding the meeting or adjourned meeting as the case may be.

PROXIES

A member entitled to attend and vote at the meeting is entitled to appoint a proxy.

A proxy need not be a member.

A member entitled to attend and cast two or more votes at the meeting may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

Attached is a form of proxy which is in an approved form.

The written appointment of a proxy or attorney must be received at the registered office of the Company (Suite 2, 1233 High Street, Armadale, Victoria, 3143) not less than 48 hours before:

- (a) the time for holding the meeting or adjourned meeting at which the appointee proposes to vote; or
- (b) the taking of a poll on which the appointee proposes to vote.

If the appointment of a proxy purports to be executed under a power of attorney then the original document (power of attorney), a certified copy or other proof thereof to the satisfaction of the Directors must be received not less than 48 hours before the time referred to in (a) or (b) above.

The facsimile number for return of proxies is +61 3 9824 8161

Statement Regarding Undirected Proxies

As disclosed on the proxy form it is the intention of the Chairman of the meeting to vote any undirected proxies in favour of all resolutions. Pursuant to recent changes to the ASX Listing Rules which come into operation for meetings held after 1 January 2002 the proxy form is required to contain certain disclosures regarding the voting intentions of the Chairman regarding undirected proxies. Shareholders are advised to read the proxy form carefully. By marking the box at the top of the proxy form, proxy holders acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. If you do not mark the box at the top of the proxy form or alternatively each resolution your proxy may be considered invalid.



ACN 006 189 331

YAMARNA GOLDFIELDS LIMITED
ABN 84 006 189 331

3rd March 2003

Dear Shareholder,

Invitation to participate in Share Purchase Plan

As Chairman of Yamarna Goldfields Limited and as foreshadowed in our recent Annual General Meeting, I am pleased to invite you to participate in Yamarna's Share Purchase Plan ("SPP").

The SPP enables all shareholders as at the Record Date of 17th March 2003 to participate on an equal basis regardless of the size of their holdings. Shareholders may purchase up to \$2,000 worth of new ordinary shares in Yamarna at an attractive price without any brokerage, commission or other costs.

At the AGM approval was given by shareholders for the issue of up to 110 million new shares under an SPP. At the issue price of 0.6c this will raise up to \$660,000.

As an incentive to shareholders, the purchase price of new shares available under the SPP has been set at a 30% discount to the trading price of the Company's shares over the 30 day period to the date of this invitation and is a 14% discount to the closing price of the Company's shares on 28th February 2003.

At the AGM shareholders also approved changes to Yamarna's Constitution to enable the company to sell holdings of less than a marketable parcel (\$500, as defined by the Australian Stock Exchange). Yamarna is writing to shareholders whose holdings are below this level by a separate letter which will accompany this invitation. Unless advised otherwise by those shareholders who hold less than a marketable parcel Yamarna intends to sell their shares on their behalf and to remit the funds raised to affected shareholders. The purpose of this is to reduce the large numbers of shareholders (in excess of 5,000 in number) who hold small parcels of shares.

The SPP, in addition to an opportunity to acquire shares in Yamarna at an attractive price, is thus also an opportunity for shareholders holding less than \$500 worth of shares to "top up" their holdings to a marketable parcel.

Company Activities

As disclosed in previous announcements key highlights of Yamarna's current projects and investments include:

- Continued interest in the Yamarna Project, currently joint ventured with Asarco and with an estimated resource base of 738,000 ounces of gold.
- Significant exploration progress by De Grey Mining Limited since its listing on ASX in mid 2002 with a new platinum/palladium/gold discovery at the Three Kings prospect and potentially economic gold discoveries at Horans Dam.
- Highly encouraging gold results by Jackson Gold at the Claypan Dam Project
- Prima Biomed Limited successfully completing its first year's research milestones and raising further capital
- First Au - Wolfden drilling intersecting high grade gold at Casummit Lake/Argosy mine, Canada
- First Au Strategies Corp. successfully raising Canadian \$515,700.

The principal use of the funds raised by the SPP will be for working capital purposes in relation to developing and maintaining on-going activities associated with the above projects.

How to participate and important dates

If you would like to participate in the SPP please return your completed Entitlement and Acceptance form, together with your cheque payable to Yamarna Goldfields Limited for the purchase price of the number of shares you wish to acquire before the Closing Date of 24th March 2003.

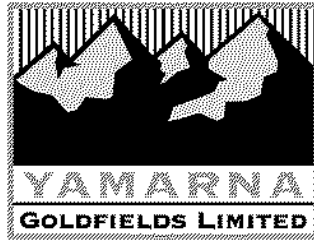
The right to participate in this SPP is available exclusively to persons who are registered as holders of the Company's fully paid ordinary shares at 5:00pm on the Record Date of 17th March 2003 and whose registered address is in Australia or New Zealand.

Please note that the maximum investment per shareholder is \$2,000 (representing 333,333 shares at 0.6 cent per share). Yamarna is offering you three different alternatives; \$500 for 83,333 shares, \$1,000 for 166,666 shares, \$2,000 for 333,333 shares. Shares allotted under the SPP will be issued no later than 7 days after the Closing Date. If Yamarna receives applications for in excess of 110 million shares, Yamarna will reduce the maximum number of shares that may be issued to a shareholder (i.e. 333,333 shares) on a pro rata basis in proportion to the number of shares for which each shareholder applies such that the total number of shares issued under the SPP does not exceed 110 million.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Bryan J. Frost', is positioned below the closing text.

Bryan J. Frost
Executive Chairman



ACN 006 189 331

Share Purchase Plan Entitlement and Acceptance Form

I/We wish to apply for the number of shares set out below in accordance with the terms and conditions of the Yamarna Goldfields Limited ("Yamarna") Share Purchase Plan.

Please tick preference

- Offer A A\$500 for 83,333 shares at 0.6 cents per share
- Offer B A\$1,000 for 166,666 shares at 0.6 cents per share
- Offer C A\$2,000 for 333,333 shares at 0.6 cents per share

Please complete the following payment details

| Drawer | Bank | BSB No or Branch Name | Amount A\$ |
|--------|------|-----------------------|------------|
| | | | |
| | | | |

Payments may only be made by cheque or bank draft in Australian dollars and drawn on an Australian branch of a financial institution. **Cheques or bank drafts are to be made payable to Yamarna Goldfields Limited and crossed "Not Negotiable". Cash payments cannot be accepted.**

Contact Details

| | | |
|--------------------------------|-----------------------------------|--|
| Contact Name | Telephone Number – Business Hours | Telephone Number – After Hours |
| | | |
| Individual or Securityholder 1 | Securityholder 2 | Securityholder 3 |
| | | |
| Director | Director/Company Secretary | Sole Director and Sole Company Secretary |

Please return completed form to:

Security Transfer Registrars Pty Ltd
PO Box 535
Applecross WA 6953

Delivery Address:

Security Transfer Registrars Pty Ltd
Alexandrea House, 770 Canning Highway
Applecross WA 6153

Telephone: (08) 9315 0933
Facsimile: (08) 9315 2233

Record Date: 17th March 2003

Closing Date: 5.00pm, Melbourne time, 28th March 2003

Yamarna Goldfields Limited

Offers under the Share Purchase Plan (“the Plan”):

Terms and Conditions

All Offers made under the Plan are deemed to be made on and to be subject to the terms and conditions set out in the Plan and the relevant Offer Document. A full copy of the Plan as adopted at the 2002 AGM can be obtained from the Company upon request.

The following terms and conditions apply to the offer set out in the attached Invitation (an “Offer Document” within the meaning of the Plan) and to any Offer or acceptance of an Offer made under the Plan:

- (a) All Offers are non-renounceable and can only be accepted by the shareholder to whom that Offer is addressed (being a shareholder whose name appears as a holder of ordinary shares).
- (b) Offers may be sent to one named joint holder on behalf of all holders.
- (c) Acceptance of an Offer is optional.
- (d) Acceptance of an Offer requires a completed acceptance form to be returned with payment (bank cheque, crossed personal or company cheque, money order or other method of payment acceptable to the Directors) of the application price (that is, the issue price multiplied by the number of shares applied for).
- (e) Acceptances must be received at the address specified by the Company in the relevant Offer Document for the receipt of acceptances (the Company’s registered office, share registry or some other place) by no later than 5.00 pm (Melbourne time) on the closing date specified in the Offer Document, or last mail delivery (if forwarded by mail) on or before the specified closing date.
- (f) Acceptances for more than the number of shares offered to a holder may be treated as invalid or treated as an acceptance of such lesser number (not being more than the number of shares offered to the holder) as the directors in their absolute discretion determine. Amounts received exceeding the relevant application price for shares, or received on account of shares which are not issued, will be returned without interest. Interest accrued on application moneys will accrue for the benefit of the Company.
- (g) The Directors or any person authorised by the Directors for that purpose may complete any details in an acceptance, provided that in doing so there shall be increase the number of shares applied for or deemed to have been applied for to a number greater than the number of shares for which application moneys have been received from that shareholder.
- (h) Subject to these terms and conditions and the terms set out in the Offer Document, shares will be issued in response to acceptances on the date specified in the applicable Offer Document.
- (i) Shares issued under the Plan will be ordinary shares deemed fully paid, having an issue price specified in the applicable Offer. The new shares will rank equally with, and have the same terms as the company’s other listed ordinary shares. Application will be made to ASX for quotation of the shares. A holding statement will be issued to the shareholder following issue of their shares.
- (j) Any proposed date of quotation and trading stated in an Offer Document will be indicative only. Any person who trades any shares before receiving a holding statement (or other evidence of title) do so at their own risk.
- (k) Brokerage, commission and stamp duty (if any) will not be payable by Australian or New Zealand resident shareholders. If any approvals or authorisations are required under the law of another jurisdiction in which it is determined to make an Offer, all costs of obtaining any such shall be borne by the shareholder or shareholders concerned.
- (l) The directors may vary or waive any provision of these terms and conditions, and the terms set out in any Offer Document, to the extent permitted by the Corporations Act, Policy Statement 125, the Class Order and the Listing Rules.
- (m) If the Directors believe that an issue of shares under the Plan may be contrary to any applicable law, the Listing Rules or the Plan, the Directors may refuse to issue to shares.
- (n) Any Offer automatically lapses, and any acceptance shall not be enforceable, if the Company ceases to be eligible to issue shares under the Class Order (except where a replacement class order is issued or the Corporations Act is amended to permit an issue on the terms of the Plan).
- (o) The Directors may at any time withdraw any Offer at any time without giving reasons, and the Company shall not be obliged to issue any shares subsequent to such withdrawal (even if application monies have been received). The Company shall refund any applications received, without interest.

Dispute s

The Directors, acting reasonably, may resolve any dispute regarding the Plan, any Offer made under the Plan or any acceptance or purported acceptance. The decision of the Directors (as a Board) shall be conclusive and binding on all acceptors, applicants, holders and such other persons as may be relevant. Each Offer and each acceptance or application (or purported acceptance or application) shall be deemed to authorise the Directors to resolve any dispute in accordance with this provision of the Plan.

Modification of the Plan

The Directors may vary the terms and conditions of the Plan from time to time, to the extent permitted by the Corporations Act, Policy Statement 125, Class Order and the Listing Rules.

Miscellaneous

The Plan shall be read and construed in accordance with and subject to the Corporations Act, the Class Order, the Listing Rules of the ASX and (unless inconsistent with or contrary to any of the foregoing) the Company's Constitution.

A reference to any legislation, rule or instrument (including but not only Policy Statement 125 and the Class Order) is a reference to such as amended, replaced, re-enacted, reissued or substituted from time to time.

In the Plan, the singular includes the plural (and vice versa) and each gender includes all other genders.



**YAMARNA GOLDFIELDS LTD
(ABN 84 006 189 331)**

3rd March 2003

Dear Shareholder,

SMALL HOLDING SALE FACILITY

Our records indicate that currently you hold less than a marketable parcel of shares. A marketable parcel is defined by the ASX Listing Rules as a holding with a market value of less than \$500. Pursuant to the Share Purchase Plan detailed in documents that accompany this letter you have the opportunity to increase your holding by purchasing additional shares through this Plan.

The Company is writing to you to tell you that it intends, pursuant to the terms of its Constitution as amended at the Company's recent Annual General Meeting, to sell your holding, should, by the date highlighted below, your holding remain below a marketable parcel. You have the right to notify the Company that you do not want to have your shares sold and in that case the Company will not sell your shares on your behalf.

This letter contains important information about your shareholding and provides you with the option to advise the Company that you do not wish the Company to sell your shares.

If you wish to retain your Yamarna Goldfields Ltd shares – you must complete and return the “**Notice of Retention**” form which accompanies this letter so that it is received by the Share Registry no later than **5.00pm (Melbourne time) on 16th April 2003**.

If you do nothing your Yamarna Goldfields Ltd shares will be sold on your behalf (as outlined below) and the proceeds will be posted to you.

WHY DOES YAMARNA GOLDFIELDS LTD WANT TO SELL SMALL HOLDINGS

The latest Annual Report shows that the Company has in excess of 6,000 shareholders of whom over 5,000 have holdings of less than \$500 in value (approximately 62,000 shares).

The company welcomes the support of all shareholders, especially retail investors. However the Company incurs the same administrative costs for all holder accounts, both large and small. This cost can be disproportionately high in the case of small holdings. In addition, investors holding a small number of shares may be discouraged from selling their shares due to the difficulty and high cost of selling small parcels of shares.

The Company is offering the small holding sale facility as part of its commitment to efficiently managing its costs as a publicly listed company. Shareholders with an interest in the future business opportunities of the Company can opt to retain their shares and may wish to acquire additional shares that will take the value of their holdings above the \$500 threshold by taking advantage of the Share Purchase Plan detailed in other documents accompanying this letter.

SMALL HOLDING SALE FACILITY

Under the provisions of Schedule A to the Company's Constitution the Company may notify any shareholder with a holding worth less than \$500 that it intends to sell their shares.

This letter and the attached "Notice of Retention" form which accompanies it satisfy the notice requirements in Schedule A to the Constitution.

Small shareholders have an opportunity however to inform the Company should they wish to retain their shares. If a small shareholder notifies the Company **within the 6 weeks notice period** that they do not wish the Company to sell their shares then their shares will not be sold.

Once the 6 weeks period has elapsed the Company is entitled to sell the shares with the proceeds of such sale being remitted to the small shareholder.

The company will bear the brokerage costs in respect of the sales. The company will make arrangements to sell shares under the Small Holding Sale Facility. The sales are expected to take place progressively after the end of the 6 weeks notice period. The shares may be sold at any time after the 6 week period has expired. The proceeds will be mailed to you within 10 business days of the completion of all sales. In the case of certificated holdings the sale proceeds will be mailed as soon as practicable after the certificate is surrendered or the necessary declaration in relation to lost certificates is received by the Company.

The Company's power to sell shares under the Small Holding Sale Facility lapses following the announcement of a takeover. However, the procedure may be started again after the close of the offers made under the takeover.

ACTION REQUIRED TO RETAIN SHARES

If you wish to retain your Yamarna Goldfields Ltd shares you must complete the enclosed "**Notice of Retention**" form and return it so that it is received by the Company before the end of the Notice Period, at 5:00pm Melbourne time on 16th April 2003.

If you do nothing (i.e. you do not return a completed Notice of Retention form) your Yamarna Goldfields Ltd shares will be sold after the end of the Notice Period.

IMPORTANT NOTES

Taxation

Please consult your financial adviser if you wish to ascertain the taxation implications if your shares are sold under the Small Holding Sale Facility.

Financial Advice

Neither Yamarna Goldfields Ltd or Security Transfers Pty Ltd makes any recommendation to you regarding whether or not to opt to retain your shares and not avail yourself of the Small Holding Sale Facility.

If you are in any doubt as to whether to participate please consult your financial adviser.

For further information, contact the undersigned on 03 98248166 or by email to frontdesk@malvas.com.au.

Yours faithfully,



Bryan J. Frost
Executive Chairman



Notice of Retention of Small Shareholding

**PLEASE COMPLETE THIS FORM IF YOU DO NOT WISH YOUR SHARES YAMARNA GOLDFIELDS LIMITED TO BE SOLD.
IF YOU DO NOT UNDERSTAND THIS NOTICE YOU SHOULD IMMEDIATELY CONTACT YOUR FINANCIAL ADVISOR.**

[Reference number]

[HOLDER – NAME]
[HOLDER – ADDRESS]

Number of shares held at [date]: [number]

Market Value of Shares held at [date]: [number]

If you wish to retain your shareholding in Yamarna Goldfields Limited (“Yamarna”) it will be necessary for you to complete this form and return it to the Company so that it is received by no later than **5:00 pm (Melbourne time) on 16th April 2003**. The form can be returned to one of the following addresses:

Postal Address
Yamarna Goldfields Limited
PO Box 46
Armadale
VIC 3143

Hand Delivery
Yamarna Goldfields Limited
Suite 2
1233 High Street
Armadale
VIC 3143

If this form is not received by Yamarna by 5:00 pm (Melbourne time) on 16th April 2003, your shares will be sold. If your shares are in a CHESS holding, the Company may, without further notice, initiate a holding adjustment to move these shares from that CHESS holding to an issuer sponsored or certificated holding.

I/we the shareholder(s) described above hereby give notice that I/we wish to retain my/our shareholding in Yamarna and that I/we do not want the provisions of Rule 14A of Yamarna’s Constitution to apply to my/our shares at this time.

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

| | | |
|--|---|-------------------------------------|
| Securityholder 1 (Individual) | Joint Securityholder 2 (Individual) | Joint Securityholder 3 (Individual) |
| | | |
| Sole Director and Sole Company Secretary | Director / Company Secretary (delete one) | Director |
| | | |

This form must be signed by the securityholder. If a joint holding, all securityholders should sign. If signed by the securityholder’s attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the securityholder’s constitution and the Corporations Act 2001 (Cwlth).

Date: / /

If you require further information on how to complete this form, please contact Yamarna on 03 9824 8166.