PELICAN RESOURCES LIMITED

ABN 12 063 388 821

CIRCULAR TO SHAREHOLDERS

including

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT

PROXY FORM

Annual General Meeting of Pelican Resources Limited to be held at The AIM Suite, The WA Club, Level 2, 101 St Georges Terrace, Perth, Western Australia on Friday, the 12th day of November 2004 commencing at 10.00am (WST).

This document should be read in its entirety. If after reading this Circular to Shareholders, you have any questions or doubts as to how you should vote, you should contact your stockbroker, solicitor, accountant or professional adviser.

PELICAN RESOURCES LIMITED
ABN 12 063 388 821

Corporate Directory

Directors	John Palermo John Hills Darryl Lynton-Brown
Secretary	John Palermo
Registered Office	Level 1 284 Oxford Street LEEDERVILLE WESTERN AUSTRALIA 6007 Telephone: +61 8 9242 1166 Facsimile: +61 8 9242 5903
Auditor	Stanton Partners Level 1 1 Havelock Street WEST PERTH WESTERN AUSTRALIA 6005
Solicitors	Pullinger Readhead Lucas Level 2, Fortescue House 50 Kings Park Road WEST PERTH WESTERN AUSTRALIA 6005
Share Registry	Computershare Investor Services Pty Ltd Level 2 Reserve Bank Building 45 St Georges Terrace PERTH WESTERN AUSTRALIA 6000
ASX Code	PEL

PELICAN RESOURCES LIMITED
ABN 12 063 388 821

Notice of Annual General Meeting

NOTICE IS GIVEN THAT the Annual General Meeting of the Company will be held at The AIM Suite, The WA Club, Level 2, 101 St Georges Terrace, Perth, Western Australia on Friday, the 12th day of November, 2004 commencing at 10.00am WST.

Information on the proposals to which the resolutions set out below relate is contained in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.

ORDINARY BUSINESS

1 FINANCIAL STATEMENTS AND REPORTS

Period 1 July 2003 to 30 June 2004

"To receive, consider and adopt the Financial Statements of the Company, together with the directors' and auditor's reports thereon, for the financial year ending 30 June 2004."

2 ELECTION OF DIRECTOR

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

"That, for all purposes, Dr John Henry Hills, who retires and offers himself for re-election, is re-elected as a director."

SPECIAL BUSINESS

3 RATIFICATION OF PREVIOUS OPTIONS ISSUE

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

"That, for the purposes of Listing Rule 7.4 of the Listing Rules of Australian Stock Exchange Limited and for all other purposes, the shareholders of the Company approve and ratify the allotment and issue of 2,000,000 options, each to subscribe for a fully paid ordinary share in the capital of the Company, to the person, for the purpose and on the date and terms set out in the Explanatory Statement attached to and forming part of this Notice of Meeting."

Voting Exclusion

For the purposes of Listing Rule 7.5, the Company will disregard any votes cast on this resolution by any person who participated in the issue and any associate of such a 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 a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4 APPROVAL OF SECURITIES ISSUE

4.1 Fully Paid Ordinary Shares

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

"That, for the purposes of Listing Rule 7.1 of the Listing Rules of Australian Stock Exchange Limited and for all other purposes, the shareholders of the Company approve the allotment and issue of 10,000,000 fully paid ordinary shares in the capital of the Company at an issue price determined in the manner set out in the Explanatory Statement to the parties, for the purposes and on the terms set out in the Explanatory Statement attached to and forming part of this Notice of Meeting."

Voting Exclusion

For the purposes of Listing Rule 7.3, the Company will disregard any votes cast on this resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except the benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed and any associate of such a 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 a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4.2 Options Exercisable at $0.20 on or before 8 April 2006

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

"That, for the purposes of Listing Rule 7.1 of the Listing Rules of Australian Stock Exchange Limited and for all other purposes, the shareholders of the Company approve the allotment and issue of 10,000,000 options, each to subscribe for a fully paid ordinary share in the capital of the Company, to the parties, for the purposes and on the terms set out in the Explanatory Statement attached to and forming part of this Notice of Meeting."

Voting Exclusion

For the purposes of Listing Rule 7.3, the Company will disregard any votes cast on this resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except the benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed and any associate of such a 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 a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

WHO MAY VOTE

The Corporations Act permits the Company to specify a time, not more than 48 hours before the meeting, at which a "snap-shot" of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the meeting.

The Company's directors have determined that all Shares of the Company that are quoted on ASX at 5.00 pm WST, 10 November 2004 shall, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the Shares at that time.

PROXIES

Please note that:

(a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;

(b) a proxy need not be a member of the Company; and

(c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion is not specified each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

DATED 13 October 2004

BY ORDER OF THE BOARD

John Palermo
Company Secretary
Pelican Resources Limited

PELICAN RESOURCES LIMITED
ABN 12 063 388 821

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at The AIM Suite, The WA Club, Level 2, 101 St Georges Terrace, Perth, Western Australia on Friday, the 12th day of November, 2004 commencing at 10.00am WST.

The purpose of this Explanatory Statement is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolution.

This Explanatory Statement should be read in conjunction with the accompanying Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

RESOLUTION 3 - RATIFICATION OF PREVIOUS SECURITIES ISSUE

The Company has issued Options to the party as detailed below.

Approvals Required

ASX Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Rule 7.1 and the company's members subsequently approve it.

Under this resolution, the Company seeks from Shareholders approval for, and ratification of, the issues of Options as set out below so as to limit the restrictive effect of ASX Listing Rule 7.1 on any further issues of securities in the next 12 months.

For the purposes of ASX Listing Rule 7.5, the Company provides the following information to Shareholders:

(a) on 23 January 2004, the Company issued 2,000,000 Options to Corridor Nominees Pty Ltd as a placement fee;

(b) the Options were granted for no consideration and accordingly no funds were raised through the issue of these Options. The Company will receive funds should these Options be exercised; and

(c) the Options were granted on the terms and conditions set out below:

  (i) each Option is exercisable at $0.15 on or before 8 April 2004 or $0.20 after 8 April 2004 but on or before 8 April 2006;

(ii) the Options are exercisable by completing a notice of exercise and delivering it together with payment for the number of Shares in respect of which the Options are exercised to the address for service of notice of the Company;

(iii) Options will be listed for Official Quotation on ASX;

(iv) the Options are freely transferable;

(v) within 10 business days of the receipt of a properly executed notice of exercise and cleared application monies the Company will allot and issue to the number of Shares specified in the notice;

(vi) Shares allotted pursuant to the exercise of Options shall rank, from the date of allotment equally with the existing Shares of the Company in all respects;

(vii) the Company will deliver a holding statement and apply for Official Quotation by ASX of the Shares allotted;

(viii) the Options do not confer the right to participate in new issues of capital during the exercise period. The Company will give not less than 9 business days notice to exercise its Options prior to the date of determining shareholder entitlements for any new issues of capital that occur during the option exercise period;

(ix) in the event of a reorganisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the share capital of the Company, the options will be reorganised as required by ASX Listing Rules;

(x) except in the case of a bonus issue, there is no change in the exercise price or the number of Shares over which an Option is exercisable in the event of the Company making a pro rata issue of Shares or other securities; and

(xi) if there is a bonus issue to the holders of Shares, the number of Shares to be issued upon the exercise of an Option will be increased by the number of Shares which the holder would have received if all Options had been exercised before the record date for the bonus issue.

Directors' Recommendation

The Board believes that the ratification of this issue of Options is beneficial for the Company and the Board recommends Shareholders vote in favour of Resolution 3. It will allow the Company to ratify the above issue of Options and retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months.

RESOLUTION 4 – APPROVAL OF SECURITIES ISSUES

Resolution 4.1 - Fully Paid Ordinary Shares

The Company proposes to issue 10,000,000 Shares on the terms set out below in order to raise funds to further continue its works programme. The issue of these Shares will be equal to approximately 11.45% of the Company's fully-diluted issued capital (based on the number of Shares on issue as at the date of the Notice of Meeting and assuming the Options the subject of resolutions 4.2 are granted).

Approvals Required

Under Chapter 7 of the ASX Listing Rules, there are limitations on the capacity of the Company to enlarge its capital by the issue of equity securities.

ASX Listing Rule 7.1 provides generally that a company may not issue shares or options to subscribe for shares equal to more than 15% of the company's issued share capital in any 12 months without obtaining shareholder approval. Resolution 4.1 seeks this approval for the proposed issue of Shares in order to retain the Company's 15% capacity to issue further securities.

ASX Listing Rule 7.3 requires the following information to be given to Shareholders:

(a) the maximum number of Shares to be issued is 10,000,000;

(b) the Shares will be issued on or before 26 February 2005 and, in any case, no later than 3 months after the date of the annual general meeting;

(c) the Shares will be issued at a price equal to at least 80% of the average market price of Shares, calculated over the last 5 days on which sales of Shares were recorded before the date upon which the issue is made;

(d) the intended use of the funds raised under the issue is working capital to further continue the Company's works programme;

(e) the allottees are not yet known and will be determined by the Directors;

(f) allotment of the Shares will occur progressively; and

(g) the Shares to be issued are fully paid ordinary shares in the Company ranking equally with the existing Shares in the Company.

The Company intends to apply to ASX for official quotation of these Shares on ASX.

Directors' Recommendation

The Board believes that the proposed issue of Shares is beneficial for the Company.

The Board recommends Shareholders vote in favour of Resolution 4.1 as it allows the Company to raise working capital to further continue the Company's works programme through the issue of these Shares, and retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months.

Resolution 4.2 - Options Exercisable at $0.20 on or before 8 April 2006

In conjunction with the proposed issue of Shares pursuant to Resolution 4.1, the Company intends to undertake an issue of 10,000,000 Options, exercisable at $0.20 each on or before 8 April 2006, and otherwise on the terms and conditions set out below, which will be free-attaching to the Shares the subject of Resolution 4.1.

The issue of these Options will be equal to approximately 11.45% of the Company's fully-diluted issued capital (based on the number of Shares on issue as at the date of the Notice of Meeting and assuming the Shares the subject of Resolution 4.1 are issued).

Approvals Required

As set out above, ASX Listing Rule 7.1 provides generally that a company may not issue shares or options to subscribe for shares equal to more than 15% of the company's issued share capital in any 12 months without obtaining shareholder approval. Resolution 4.2 seeks this approval for the proposed issue of Options in order to retain the Company's 15% capacity to issue further securities.

ASX Listing Rule 7.3 requires the following information to be given to Shareholders:

(a) the maximum number of Options to be issued is 10,000,000;

(b) the Options will be issued on or before 26 February 2005 and, in any case, no later than 3 months after the date of the annual general meeting;

(c) the Options will be issued for no consideration on the basis that these Options will be free attaching to the Shares the subject of Resolution 4.1;

(d) no funds will be raised from the issue of these Options although the Company will receive funds should these Options be exercised;

(e) the allottees are not yet known and will be determined by the Directors;

(f) allotment of the Options will occur progressively;

(g) the Options to be issued will rank equally with and forming part of the existing class of listed Options of the Company. The Company will seek official quotation of the Options on ASX; and

(h) the Options will be issued on the terms and conditions set out in Annexure A.

Directors' Recommendation

The Board believes that the proposed issue of Options is beneficial for the Company and the Board recommends Shareholders vote in favour of Resolution 4.2. It will allow the Company to retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months.

GLOSSARY

In this Explanatory Statement, the following terms have the following unless the context otherwise requires:

"**ASX**"	means Australian Stock Exchange Limited (ABN 98 008 624 691).
"**ASX Listing Rules**" or "**Listing Rules**"	means the Listing Rules of ASX, as amended or replaced from time to time, except to the extent of any waiver by ASX.
"**Board**"	means board of Directors.
"**Company**"	means Pelican Resources Limited (ABN 12 063 388 821).
"**Corporations Act**"	means the Corporations Act 2001 (Cth) and all regulations made pursuant to such legislation, as amended from time to time.
"**Director**"	means a director of the Company.
"**Option**"	means an option to acquire a Share.
"**Shareholder**"	means a member of the Company, as defined in the constitution of the Company.
"**Shares**"	means ordinary fully paid shares in the capital of the Company.
"**WST**"	means Western Standard Time.

ANNEXURE A

TERMS AND CONDITIONS OF OPTIONS

(i) the exercise price of each Option is $0.20;

(ii) each Option is exercisable on or before 8 April 2006;

(iii) the Options are exercisable by completing a notice of exercise and delivering it together with payment for the number of Shares in respect of which the Options are exercised to the address for service of notice of the Company;

(iv) Options will be listed for Official Quotation on ASX;

(v) the Options are freely transferable;

(vi) within 10 business days of the receipt of a properly executed notice of exercise and cleared application monies the Company will allot and issue to the number of Shares specified in the notice;

(vii) Shares allotted pursuant to the exercise of Options shall rank, from the date of allotment equally with the existing Shares of the Company in all respects;

(viii) the Company will deliver a holding statement and apply for Official Quotation by ASX of the Shares allotted;

(ix) the Options do not confer the right to participate in new issues of capital during the exercise period. The Company will give not less than 9 business days notice to exercise its Options prior to the date of determining shareholder entitlements for any new issues of capital that occur during the option exercise period;

(x) in the event of a reorganisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the share capital of the Company, the options will be reorganised as required by ASX Listing Rules;

(xi) except in the case of a bonus issue, there is no change in the exercise price or the number of Shares over which an Option is exercisable in the event of the Company making a pro rata issue of Shares or other securities; and

(xii) if there is a bonus issue to the holders of Shares, the number of Shares to be issued upon the exercise of an Option will be increased by the number of Shares which the holder would have received if all Options had been exercised before the record date for the bonus issue.

PELICAN RESOURCES LIMITED
ABN 12 063 388 821

Proxy Form

Shareholder Details

Name: ....

Address: ....

Contact Telephone No: ....

Contact Name (if different from above): ....

Appointment of Proxy

I/We being a shareholder/s of Pelican Resources Limited and entitled to attend and vote hereby appoint

☐ The Chairman of the meeting (mark with an 'X')   **OR**   ☐ Write here the name of the person you are appointing if this person **is someone other than** the Chairman of the Meeting.

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting Members of Pelican Resources Limited to be held on the 12th day of November 2004 at 10.00am WST and at any adjournment of that meeting.

☞ ☐ **IMPORTANT**
If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote, please place a mark in this box with an 'X'. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of the resolutions and that votes cast by him, other than as a proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolutions and your votes will not be counted in computing the required majority if a poll is called. The Chairman of the Meeting intends to vote undirected proxies in favour of each resolution.

Voting directions to your proxy – please mark ☒ to indicate your directions

		For	Against	Abstain*
Resolution 1	Adoption of Financial Statements and Reports	☐	☐	☐
Resolution 2	Election of Director – J H Hills	☐	☐	☐
Resolution 3	Ratification of Previous Options Issue	☐	☐	☐
Resolution 4.1	Approval of Securities Issue – Shares	☐	☐	☐
Resolution 4.2	Approval of Securities Issue – Options	☐	☐	☐

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

Appointment of a second proxy (see instructions overleaf)
If you wish to appoint a second proxy, state the % of your voting rights applicable to the proxy appointed by this form ☐ %

PLEASE SIGN HERE **This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented**

Individual or Shareholder 1	**Shareholder 2**	**Shareholder 3**
Sole Director and Sole Company Secretary	**Director**	**Director/Company Secretary**

How to complete this Proxy Form

2 Your Name and Address

Please print your name and address as it appears on your holding statement and the company's share register. If shares are jointly held, please ensure the name and address of each joint shareholder is indicated. Shareholders should advise the company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

3 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company.

4 Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

5 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning John Palermo on (08) 9242 1166 or you may photocopy this form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

6 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the shareholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

6 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting. Ie. no later than 10.00am WST on 10 November, 2004. Any Proxy Form received after that time will not be valid for the scheduled meeting.

This Proxy Form (and any Power of Attorney and/or second Proxy Form) may be sent or delivered to the Company's registered office at Level 1, 284 Oxford Street, Leederville, WA, 6007 or sent by facsimile to the registered office on (08) 9242 5903.