ASTRO DIAMOND MINES N.L.

A.B.N. 96 007 090 904

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Shareholders of Astro Diamond Mines N.L. (the "Company") will be held at Level 8, 580 St Kilda Road, Melbourne, Victoria, 3004, Australia on 13 April 2005 at 10.00 am. The Explanatory Statement describe the matters to be considered and accompany and form part of this Notice of Meeting.

AGENDA

SPECIAL BUSINESS

ORDINARY RESOLUTIONS

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

1 "To approve the issue of up to 20,296,580 ordinary shares (each a "Share") at an issue price of 5 cents per ordinary share and 20,296,580 options each with an exercise price of 5 cents and a latest exercise date of 30 November 2012 (each a "New Option") (for no additional consideration) to Wilzed Pty Ltd or its nominee, on the terms and conditions set out in the Explanatory Statement to this Notice of Meeting."

2 "To approve the issue of up to 9,333,333 Shares at an issue price of 5 cents per ordinary share and 9,333,333 New Options to Consolidated Securities Pty Ltd or its nominee, on the terms and conditions set out in the Explanatory Statement to this Notice of Meeting."

3. "To approve the issue of up to 9,333,333 Shares at an issue price of 5 cents per ordinary share and 9,333,333 New Options to Gun Capital Management Pty Ltd or its nominee, on the terms and conditions set out in the Explanatory Statement to this Notice of Meeting."

4. "To approve the issue of up to 4,666,667 Shares at an issue price of 5 cents per ordinary share and 4,666,667 New Options to Max Gundell Pty Ltd or its nominee, on the terms and conditions set out in the Explanatory Statement to this Notice of Meeting."

5. "To approve the issue of up to 4,666,667 Shares at an issue price of 5 cents per ordinary share and 4,666,667 New Options to Helen Wells & Associates Pty Ltd or its nominee, on the terms and conditions set out in the Explanatory Statement to this Notice of Meeting."

6. "To ratify the issue of 25,000,000 Shares at a price of 5 cents to Captain Starlight Nominees Pty Ltd and MAPD Nominees Pty Ltd, on the terms and conditions set out in the Explanatory Statement to this Notice of Meeting."

7. "To approve the issue of 25,000,000 New Options to Captain Starlight Nominees Pty Ltd and MAPD Nominees Pty Ltd on the terms and conditions set out in the Explanatory Statement to this Notice of Meeting."

8. "To approve the issue of up to 50,000,000 Shares at an issue price that is at least 80% of the average market price calculated over the last 5 days on which sales of securities were recorded before the day on which the issue is made, together with up to one New Option for each Share issued and otherwise on the terms and conditions set out in the Explanatory Statement to this Notice of Meeting."

9. "To approve the issue of up to 16,000,000 New Options at an issue price of 1 cent per New Option and otherwise on the terms and conditions set out in the Explanatory Statement to this Notice of Meeting."

VOTING EXCLUSION STATEMENT

In respect to resolution 1, the Company will disregard any votes cast on the resolution by Wilzed Pty Ltd and any other person who may obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the resolution is passed and any associate of Wilzed Pty Ltd or those persons.

In respect to resolution 2, the Company will disregard any votes cast on the resolution by Consolidated Securities Pty Ltd and any other person who may obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the resolution is passed and any associate of Consolidated Securities Pty Ltd or those persons.

In respect to resolution 3, the Company will disregard any votes cast on the resolution by Gun Capital Management Pty Ltd and any other person who may obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the resolution is passed and any associate of Gun Capital Management Pty Ltd or those persons

In respect to resolution 4, the Company will disregard any votes cast on the resolution by Max Gundell Pty Ltd and any other person who may obtain a benefit (except a benefit solely in the capacity of a security holder of ordinary securities) if the resolution is passed and any associate of Max Gundell Pty Ltd or those persons.

In respect to resolution 5, the Company will disregard any votes cast on the resolution by Helen Wells & Associates Pty Ltd and any other person who may obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the resolution is passed and any associate of Helen Wells & Associates Pty Ltd or those persons

In respect to resolutions 6 and 7, the Company will disregard any votes cast on the resolution by Captain Starlight Pty Ltd and MAPD Nominees Pty Ltd and any other person who may obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the resolution is passed and any associate of the persons or parties named in the resolutions.

In respect to resolutions 8 and 9, the Company will disregard any votes cast on the resolutions by any person who may participate in the proposed issue and any other person who may obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the resolution is passed and any associate of the persons or parties who may participate in the proposed issue.

The Company need not, however, 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.

By Order of the Board

Dated this 10th day of March 2005.

PETER LEE
Company Secretary

ASTRO DIAMOND MINES N.L.
A.B.N. 96 007 090 904

EXPLANATORY STATEMENT TO SHAREHOLDERS

This Explanatory Statement provides shareholders of the Company with information in respect of the resolutions to be considered at the General Meeting of the Company to be held at Level 8, 580 St Kilda Road, Melbourne 3004 on 13 April 2005 at 10:00 a.m. Shareholders should carefully review this Explanatory Statement and the associated Notice of General Meeting ("Notice") to which this Explanatory Statement is attached.

If you have difficulty in properly understanding this documentation, we urge you to consult your financial or legal adviser.

Purpose of the Meeting

Resolution 1
The purpose of this resolution is to seek shareholder approval to an issue of Shares and New Options to Wilzed Pty Ltd ("Wilzed") or its nominee.

Mr. J.I. Gutnick, Chairman and Managing Director of the Company, is a Director and shareholder of Wilzed. Wilzed is the trustee of the H Gutnick Family Trust, a discretionary trust connected with Mr. J.I. Gutnick and his family.

Accordingly, Wilzed is a related party for the purpose of the Corporations Act 2001 and ASX Listing Rules and therefore, shareholder approval to the proposed issue of Shares and New Options is required.

The consideration of 5 cents per Share and attaching New Option (at no further consideration) issued under this resolution is based on the price paid by investors to the recent placement Shares and New Options undertaken by the Company. The terms and conditions of the Shares and New Options the subject of this resolution shall be the same as for that recent placement of Shares and New Options.

Requirements of ASX Listing Rules

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, an entity must not issue or agree to issue equity securities without the approval of holders of ordinary securities to a related party, or a person whose relationship with the entity or a related party is in ASX's opinion is such that approval should be obtained. In this particular case, none of the exceptions in Listing Rule 10.12 are applicable.

For the purposes of ASX Listing Rule 10.13 the Company also advises:

1. The name of the proposed allottee is Wilzed.

2. The total number of securities to be issued if the resolution is passed will be 20,296,580 Shares and 20,296,580 New Options.

3. The latest date by which the Company will issue the Shares and New Options will be one month from the date of passing the resolution (or such later date to the extent permitted by any ASX waiver of the Listing Rules).

4. Wilzed is a related party of Mr Gutnick who is Chairman and Managing Director of the Company.

5. The consideration of 5 cents per Share and attaching New Option (at no further consideration) issued under this resolution is based on the price paid by investors in the recent placement of Shares and New Options undertaken by the Company. The terms and conditions of the Shares and New Options the subject of this resolution shall be the same as for that recent placement of Shares and New Options. .

6. The funds raised by the issue of the Shares and New Options of $1,014,829 will be used to repay a debt to Wilzed Pty Ltd of $1,014,829. Mr. J.I. Gutnick, Chairman and Managing Director of the Company, is a Director and shareholder of Wilzed. Wilzed is the trustee of the H Gutnick Family Trust, a discretionary trust connected with Mr. J.I. Gutnick and his family.

7. The Shares allotted and issued will rank pari passu with existing ordinary shares on issue. The terms and conditions of the New Options are set out in Appendix A that accompanies this Explanatory Statement.

ASX Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue during any 12 month period any equity securities or other securities with rights of conversion to equity (such as an option) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. The purpose of requesting shareholders to give approval to this proposed issue is to allow the Company to issue further securities in accordance with ASX Listing Rule 7.1, without the need to seek prior shareholder approval.

If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Resolution 2
The purpose of this resolution is to seek shareholder approval to an issue of Shares and New Options to Consolidated Securities Pty Ltd ("Consolidated Securities") or its nominee.

ASX Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue during any 12 month period any equity securities or other securities with rights of conversion to equity (such as an option) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. The purpose of requesting shareholders to give approval to this proposed issue is to allow the Company to issue further securities in accordance with ASX Listing Rule 7.1, without the need to seek prior shareholder approval.

For the purpose of Listing Rule 7.3 the Company also advises:

1. The maximum number of securities to be issued is 18,666,666, being 9,333,333 Shares and 9,333,333 New Options.

2. The securities will be issued within 3 months of the date of shareholder approval.

3. The issue price of the Shares will be 5 cents each and there will be no additional consideration for the issue of the New Options.

4. The proposed allottee will be Consolidated Securities or its nominee.

5. The Shares will be fully paid and will rank pari passu with existing ordinary shares on issue. The New Options will be issued on the terms and conditions set out in Appendix A to the Explanatory Statement.

6. The funds will be utilised to repay a debt of $466,666.66 to Consolidated Securities.

7. The securities may be allotted progressively.

Resolution 3
The purpose of this resolution is to seek shareholder approval to an issue of Shares and New Options to Gun Capital Management Pty Ltd ("Gun Capital") or its nominee.

ASX Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue during any 12 month period any equity securities or other securities with rights of conversion to equity (such as an option) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. The purpose of requesting shareholders to give approval to this proposed issue is to allow the Company to issue further securities in accordance with ASX Listing Rule 7.1, without the need to seek prior shareholder approval.

For the purposes of Listing Rule 7.3 the Company also advises:

1. The maximum number of securities to be issued is 18,666,666, being 9,333,333 Shares and 9,333,333 New Options.

2. The securities will be issued within 3 months of the date of shareholder approval.

3. The issue price of the Shares will be 5 cents each and there will be no additional consideration for the issue of the New Options.

4. The proposed allottee will be Gun Capital or its nominee.

5. The Shares will be fully paid and will rank pari passu with existing ordinary shares on issue. The New Options will be issued on the terms and conditions set out in Appendix A to the Explanatory Statement.

6. The funds will be utilised to repay a debt of $466,666.66 to Gun Capital.

7. The securities may be allotted progressively.

Resolution 4
The purpose of this resolution is to seek shareholder approval to an issue of Shares and New Options to Max Gundell Pty Ltd ("Max Gundell") or its nominee.

ASX Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue during any 12 month period any equity securities or other securities with rights of conversion to equity (such as an option) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. The purpose of requesting shareholders to give approval to this proposed issue is to allow the Company to issue further securities in accordance with ASX Listing Rule 7.1, without the need to seek prior shareholder approval.

For the purposes of Listing Rule 7.3 the Company also advises:

1. The maximum number of securities to be issued is 9,333,334, being 4,666,667 Shares and 4,666,667 New Options.

2. The securities will be issued within 3 months of the date of shareholder approval.

3. The issue price of the Shares will be 5 cents each and there will be no additional consideration for the issue of the New Options.

4. The proposed allottee will be Max Gundell or its nominee.

5. The Shares will be fully paid and will rank pari passu with existing ordinary shares on issue. The New Options will be issued on the terms and conditions set out in Appendix A to the Explanatory Statement.

6. The funds will be utilised to repay a debt of $233,333.33 to Max Gundell.

7. The securities may be allotted progressively.

Resolution 5
The purpose of this resolution is to seek shareholder approval to an issue of Shares and New Options to Helen Wells & Associates Pty Ltd ("Helen Wells") or its nominee.

ASX Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue during any 12 month period any equity securities or other securities with rights of conversion to equity (such as an option) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. The purpose of requesting shareholders to give approval to this proposed issue is to allow the Company to issue further securities in accordance with ASX Listing Rule 7.1, without the need to seek prior shareholder approval.

For the purposes of Listing Rule 7.3 the Company also advises:

1. The maximum number of securities to be issued is 9,333,334, being 4,666,667 Shares and 4,666,667 New Options.

2. The securities will be issued within 3 months of the date of shareholder approval.

3. The issue price of the Shares will be 5 cents each and there will be no additional consideration for the issue of the New Options.

4. The proposed allottee will be Helen Wells or its nominee.

5. The Shares will be fully paid and will rank pari passu with existing ordinary shares on issue. The New Options will be issued on the terms and conditions set out in Appendix A to the Explanatory Statement.

6. The funds will be utilised to repay a debt of $233,333.34 to Helen Wells.

7. The securities may be allotted progressively.

Resolution 6 and 7
On 10 March 2005, the Company announced that it had placed 25,000,000 Shares at a price of 5 cents per share and 25,000,000 New Options (at no additional consideration), raising $1,250,000. The 25,000,000 New Options were agreed to be issued, subject to receiving shareholders approval under Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue during any 12 month period any equity securities or other securities with rights of conversion to equity (such as an option) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. The purpose of requesting shareholders to ratify this placement of Shares and give approval to the proposed issue of New Options is to allow the Company to issue further securities in accordance with ASX Listing Rule 7.1, without the need to seek prior shareholder approval.

Listing Rule 7.5 provides that an issue of securities without approval under Listing Rule 7.1 is treated as having been made if the issue did not breach Listing Rule 7.1 and the shareholders subsequently approve it.

In respect to resolution 6 and for the purposes of Listing Rule 7.5 the Company also advises:

1. The number of securities allotted was 25,000,000 Shares.

2. The issue price of the Shares was 5 cents each.

3. The Shares are fully paid and rank pari passu with existing ordinary shares on issue.

4. The names of the allottee's are Captain Starlight Nominees Pty Ltd and MAPD Nominees Pty Ltd.

5. The funds raised of $1,250,000 will be used to fund exploration activities and for working capital purposes for the Company.

6. The securities the subject to resolution 6 were issued at the discretion of the Directors other than to Related Parties (as defined in the ASX Listing Rules).

In respect to resolution 7 and for the purposes of Listing Rule 7.3 the Company also advises:

1. The maximum number of securities to be issued is 25,000,000 New Options.

2. The securities will be issued within 3 months of the date of shareholder approval.

3. There will be no additional consideration for the issue of the New Options.

4. The names of the proposed allottee's are Captain Starlight Nominees Pty Ltd and MAPD Nominees Pty Ltd.

5. The options will be issued on the terms and conditions set out in Appendix A to the Explanatory Statement.

6. No funds will be generated from the issue of the New Options.

7. The New Options will be allotted within 7 days of shareholder approval.

Resolution 8

The Company will continue to require funds to conduct its exploration program and to meet its working capital expenses. The Directors believe it prudent to seek approval to place 50 million Shares together with an accompanying New Option for each Share issued. Full details of the proposed terms of the New Options are set out in Appendix A to this Explanatory Memorandum.

ASX Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue during any 12 month period any equity securities or other securities with rights of conversion to equity (such as an option) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. The purpose of requesting shareholders to give approval to this proposed issue is to allow the Company to issue further securities in accordance with ASX Listing Rule 7.1, without the need to seek prior shareholder approval.

For the purposes of Listing Rule 7.3 the Company also advises:

1. The maximum number of securities to be issued is 100 million, being 50 million Shares and 50 million New Options.

2. The securities will be issued within 3 months of the date of shareholder approval.

3. The issue price of the Shares will be at least 80% of the average market price calculated over the last 5 days on which sales of ordinary shares were recorded before the day on which the issue is made and there will be no additional consideration for the issue of the New Options.

4. At the date of this Explanatory Memorandum, the names of the proposed allottees and quantity of Shares and New Options to be issued to each allottee are not known, however,

the Company plans to approach investors to whom a prospectus does not need to be provided under the Corporations Act.

5. The Shares will be fully paid and will rank pari passu with existing ordinary shares on issue. The New Options will be issued on the terms and conditions set out in Appendix A to the Explanatory Statement.

6. The funds will be utilised for exploration and working capital for the Company.

7. The securities may be allotted progressively. The Company may not necessarily issue the full complement of securities and may issue a lesser number but always one New Option shall be issued with every Share issued.

8. The securities the subject to this resolution shall be issued at the discretion of the Directors other than to Related Parties (as defined in the ASX Listing Rules).

Resolution 9
The purpose of this resolution is to seek shareholder approval to the Company's proposal to issue 16 million New Options at an issue price of 1 cent per New Option. The terms and conditions of the issue of the New Options are set out in Appendix A to this Explanatory Statement.

ASX Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue during any 12 month period any equity securities or other securities with rights of conversion to equity (such as an option) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. The purpose of requesting shareholders to give approval to this proposed issue is to allow the Company to issue further securities in accordance with ASX Listing Rule 7.1, without the need to seek prior shareholder approval.

For the purposes of Listing Rule 7.3 the Company also advises:

1. The maximum number of securities to be issued is 16 million New Options.

2. The securities will be issued within 3 months of the date of shareholder approval.

3. The issue price of the New Options will be 1 cent per New Option.

4. At the date of this Explanatory Memorandum, the names of the proposed allottees and quantity of Shares and New Options to be issued to each allottee are not known, however, the Company plans to approach investors to whom a prospectus does not need to be provided under the Corporations Act.

5. The New Options will be issued on the terms and conditions set out in Appendix A to the Explanatory Statement.

6. The funds will be utilised for exploration and working capital for the Company.

7. The securities may be allotted progressively. The Company may not necessarily issue the full complement of New Options and may issue a lesser number.

8. The securities the subject to this resolution shall be issued at the discretion of the Directors other than to related parties (as defined in the ASX Listing Rules).

FURTHER INFORMATION

As a consequence of the above, a number of parties, as set out in the Notice of Meeting have an interest in the outcome of resolutions being that, in the event that the resolutions are passed, any of them and/or an entity nominated by any of them may receive a financial benefit conferred by the issue of the Shares and the New Options as outlined above. The Company will make application for Official Quotation on ASX of the Shares. The Company will also make application for Official Quotation on ASX of the New Options to be issued pursuant to the Resolution and ordinary shares to be issued on exercise of the New Options but Official Quotation of those New Options and ordinary shares cannot be guaranteed.

The Directors consider it is in the best interests of the Company and its members that the Board of the Company is at liberty to issue the Shares and New Options for purposes in accordance with the manner set out in the Notice of Meeting and accompanying documents.

Shareholders should be aware that none of the parties referred to in the resolution are related parties unless otherwise disclosed.

The overall effect of all of the resolutions is that the Company will be totally debt free and have cash resources to fund its exploration program and for working capital purposes.

By Order of the Board and dated this 10th day of March 2005.

PETER LEE
Company Secretary

APPENDIX A

TERMS AND CONDITIONS OF NEW OPTIONS

1. The New Options are exercisable after 1 January 2003. The Directors reserve the right to allow Optionholders to exercise the New Options at any time after their issue. If the Directors make this decision all Optionholders will be notified in writing. Notwithstanding these arrangements New Options must be exercised by 5:00pm Melbourne time on 30 November 2012 ("the Expiry Date"). New Options not exercised on or before the Expiry Date will automatically lapse.

2. To exercise all or some of the New Options a duly completed form of application for ordinary shares on exercise of New Options ("Notice of Exercise") must be delivered to ASX Perpetual Registrars Limited and received by it prior to the Expiry Date stating the number of New Options which the Optionholder wishes to exercise. Each exercise must be for a minimum parcel of 500 New Options or, in the event that a holder holds less than 500 New Options, then the entire New Option parcel. Cheques must be payable to Astro Diamond Mines NL and should be crossed "Not Negotiable".

3. The New Options entitle the holder to subscribe (in respect of each New Option held) for an ordinary share at an exercise price of 5 cents per New Option.

4. Upon the Company receiving notice of the exercise of the New Options by "Notice of Exercise" form and all relevant documents and cleared payment funds, it will issue ordinary shares ranking pari passu with the then issued ordinary shares. The Directors will make application for the quotation on ASX of the ordinary shares issued pursuant to the exercise of the New Options but give no assurance that such quotation shall be granted.

5. Unless otherwise determined by the Directors, any Notice of Exercise of a New Option received by ASX Perpetual Registrars Limited will be deemed to be a Notice of Exercise of the New Option on the last business day of the month in which such Notice of Exercise is received.

6. Optionholders do not participate in new issues of capital which may be offered to Shareholders during the currency of the New Options prior to the exercise of the New Option. The New options do not participate in any bonus issue of securities unless and until the New Options are exercised. Prior to any new pro rata issue of ordinary shares being offered to Shareholders, Optionholders will be notified of the issue by the Company and will be afforded ten business days before the record date (to determine entitlements to the issue) to exercise their New Options if they wish.

7. It is a condition of the New Options that, in the event of a reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the New Options will be reorganised as required by ASX Listing Rules on a reorganisation of capital.

8. The New Options may be transferred at any time prior to their expiry in accordance with Securities House Business Rules and/or ASX Listing Rules.

9. Optionholders will be required to obtain a Notice of Exercise for New Options from the Company's share registry in order to give notice of exercise of the New Option.

10. Adjustments to the number of ordinary shares over which New Options exist and/or the New Option exercise price may be made if there is a change to the capital structure of the Company by way of pro rata issue for cash or a bonus issue. The method of adjustment shall be in accordance with ASX Listing Rules. However, subject to approval of ASX, if the Company makes a pro rata bonus issue of ordinary shares to Shareholders, the total number of New Options will be increased by the same ratio as the increase in the total number of ordinary shares and the exercise price of New Options will be amended in inverse proportion to that ratio.

11. All Optionholders will be entitled to attend meetings and receive and will be sent all reports and accounts required to be laid before members of the Company in General Meetings and all notices of General Meetings of Members, but will not be entitled to participate in the Meetings unless they are otherwise registered holders of ordinary shares.

12. The Company is entitled to treat the registered holder of a New Option as the absolute owner of that New Option. Accordingly, the Company shall not be bound to recognise any equitable or other claim to, or interest in, that New Option on the part of any person other than the registered holder (unless otherwise required by law).

Astro Diamond Mines N.L.
ACN 96 007 090 904

PROXY FORM

The Company Secretary
Astro Diamond Mines N.L.
PO Box 6315
St. Kilda Road Central
Melbourne Victoria 3004
Australia
Facsimile (03) 8532 2805

I/We ____
(PLEASE USE BLOCK LETTERS)

of ____

being a member/members of the Company

hereby appoint ____

or failing him/her ____

or failing him/her, the Chairman of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held at 10.00 a.m., on 13 April 2005 at the Level 8, 580 St Kilda Road Melbourne Victoria 3004, Australia, and at any adjournment thereof in the manner indicated below (by ticking the appropriate box) or in the absence of indication, as he/she thinks fit. If two proxies are being appointed the proportion of my voting rights this proxy is appointed to represent at a poll is %* of my shareholding or votes* (*Complete whichever is applicable).Proxies lodged in favour of the Chairman of the Meeting that do not indicate a vote against or do not abstain from voting on the Resolutions will be used to vote in favour of the Resolution. If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a poll. Your shares will not be counted in computing the required majority.

Business	**FOR**	**AGAINST**	**ABSTAIN**
Ordinary Resolution			
Election of Directors			
1. Approve the issue of securities to Wilzed Pty Ltd or its nominee.	☐	☐	☐
2. Approve the issue of securities to Consolidated Securities Pty Ltd or its nominee.	☐	☐	☐
3. Approve the issue of securities to Gun Capital Management Pty Ltd or its nominee.	☐	☐	☐
4. Approve the issue of securities to Max Gundell Pty Ltd or its nominee	☐	☐	☐
5. Approve the issue of securities to Helen Wells & Associates or its nominee.	☐	☐	☐
6. Ratify the issue of 25 million shares to Capt. Starlight Nominees Pty Ltd and MAPD Nominees Pty Ltd	☐	☐	☐

7. Approve the issue of 25 million options to Capt. Starlight Nominees Pty Ltd and MAPD Nominees Pty Ltd ☐ ☐ ☐

8. Approve placement of 50 million shares and options ☐ ☐ ☐

9. Approve placement of 16 million options ☐ ☐ ☐

If you do not wish to direct your proxy how to vote, please place a mark in the box. ☐
By marking this box, you 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.

Signed this .... day of 2005

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED		
Securityholder 1 (Individual)	Securityholder 2 (Individual)	Securityholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the securityholder. If a joint holding, either securityholder may 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 (Cwith).