

LACONIA RESOURCES LIMITED
ABN 29 137 984 297

NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY MEMORANDUM
AND
PROXY FORM

Date of Meeting
7 November 2011

Time of Meeting
10:00am

Place of Meeting
Celtic Club
48 Ord Street
West Perth WA 6005

*The **2011 Annual Report** may be viewed on the Company's website at*

www.laconia.com.au

LACONIA RESOURCES LIMITED
ABN 29 137 984 297
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Laconia Resources Limited (**Company**) will be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia, on 7 November 2011 at 10:00 am for the purpose of transacting the following business.

ORDINARY BUSINESS

2011 Financial Statements

To receive the financial statements of the Company for the year ended 30 June 2011, consisting of the Annual Financial Report, the Directors' Report and the Auditor's Report.

Resolution 1 – Re-election of Michael Sharwood as a Director

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

"That Michael Sharwood, having retired as a Director of the Company in accordance with the Company's Constitution and, being eligible, having offered himself for re-election, be re-elected a Director of the Company."

Short Explanation: Pursuant to the Company's Constitution, one-third of the Directors of the Company (other than the Managing Director) must retire at each AGM and, being eligible, may offer themselves for re-election.

Resolution 2 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following advisory only resolution:

"That, for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, approval is given for the Remuneration Report forming part of the Company's 2011 Annual Report to be adopted."

Short Explanation: Section 250R of the Corporations Act requires a listed company to put to Shareholders at each AGM a resolution adopting the report on the remuneration of the Company's Directors, executives and senior managers included in the Company's Annual Report. The above resolution is being proposed to comply with this requirement. The vote on this resolution is advisory and does not bind the Company's Directors.

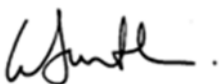
A reasonable opportunity will be provided to Shareholders for discussion of the Remuneration Report at the Annual General Meeting.

A proxy form is attached.

To be valid, properly completed proxy forms must be received by the Company no later than 10:00am (WST) on 5 November 2011:

- by post: C/- DWCorporate Pty Ltd, PO Box 1153, West Perth, WA 6872
- by facsimile: +61 8 9389 2199
- by email: proxy@dwcorporate.com

By order of the Board



Graeme Smith
Company Secretary
Date: 29 September 2011

PROXIES

A Shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights.

A proxy may, but need not be, a Shareholder of the Company.

The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, either under seal or under hand of an officer duly authorised.

The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and reach the registered office of the Company at least 48 hours prior to the meeting. For the convenience of Shareholders a Proxy Form is enclosed.

ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding ordinary Shares at 5:00 pm Perth time on 5 November 2011 will be entitled to attend and vote at the AGM.

CORPORATIONS

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company before the meeting.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the Shareholders of Laconia Resources Limited ABN 29 137 984 297 (**Company**) in connection with the business to be conducted at the Annual General Meeting of the Company to be held at the Celtic Club, 48 Ord Street, West Perth, WA 6005, on 7 November 2011 commencing at 10:00 am.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum will, unless the context otherwise requires, have the same meaning given to them in the glossary as contained in this Explanatory Memorandum.

At the AGM, Shareholders will be asked to consider the following Resolutions:

- re-electing Mr Michael Sharwood as a Director, who retires by rotation in accordance with the Company's Constitution; and
- adopting the Remuneration Report.

Financial and Other Reports

As required by section 317 of the Corporations Act, the financial statements for the year ended 30 June 2011 and the accompanying Directors Report, Directors' Declaration and Auditor's Report will be laid before the meeting.

Neither the Corporations Act, nor the Company's Constitution requires a vote on the reports. However, the Shareholders will have an opportunity to ask questions about the reports at the AGM.

Resolution 1 – Re-election of Michael Sharwood as a Director

1.1 Introduction

Mr Michael Sharwood was appointed as Non – Executive Chairman on 29 June 2009.

In accordance with ASX Listing Rule 14.4, no director of the Company may hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever period is longer. The Company's Constitution also requires that one third of the Company's directors must retire at each AGM. Accordingly, Mr Michael Sharwood retires by rotation and, being eligible, offers himself for re-election.

Resolution 1 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

1.2 Director's Biography

Mr Sharwood practiced as a mineral exploration geologist in Canada and Australia for nearly 10 years before requalifying in New South Wales as a solicitor. In that capacity he practiced corporate and commercial law, particularly for mining and petroleum companies, including Australian companies investing overseas and foreign companies investing in Australia. He has worked on transactions in a number of countries including, but not limited to, Australia, Canada, the USA and Indonesia.

Mr Sharwood also had an extensive practice involving mergers and acquisitions and Stock Exchange Listings. He was formerly a partner of Blake Dawson Waldron and for several years was the senior partner in Australia of Andersen Legal. Before finally retiring from practice in December 2005, Mr Sharwood developed an expertise in legal practice risk management and devoted several years to developing, implementing and supervising risk management and quality assurance procedures in law firms.

1.3 Directors' Recommendation

All the Directors except Mr Sharwood recommend that Shareholders vote in favour of Resolution 1.

Resolution 2 –Remuneration Report

2.1 Introduction

As required by the Corporations Act, the Board is presenting the Remuneration Report to Shareholders for consideration and adoption by a non-binding vote. The Remuneration Report contains:

- information about the Board's policy for determining the nature and amount of remuneration of the Directors and senior executives of the Company;
- a description of the relationship between the Company's remuneration policy and the Company's performance;
- a summary of performance conditions for each of the Directors and senior executives, including a summary of why they were chosen and how performance is measured against them; and
- remuneration details for each Director and for each of the Company's specified executives.

The Remuneration Report, which is part of the 2011 Annual Report, has been sent to Shareholders who have made an election to receive the Annual Report. Copies of the 2011 Annual Report are available by contacting the Company's share register or visiting the Company's web site www.laconia.com.au.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution that a further meeting is held at which all of the Company's Directors (other than the Managing Director and CEO) must go up for re-election.

2.2 Voting on the Remuneration Report

In accordance with section 250R(4) of the Corporations Act, a vote on the Remuneration Report Resolution must not be cast (in any capacity) by or on behalf of either the following persons:

- (a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

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

- (c) the person does so as a proxy appointed in writing that directs how the proxy is to vote on the Remuneration Report Resolution; and
- (d) the vote is not cast on behalf of the person described in paragraphs (a) or (b) above.

In respect of Resolution 2, Shareholders are advised that their votes will not be counted if the Chairman is appointed to vote on their behalf with an undirected proxy form. As a result, if Shareholders wish to appoint the Chairman to vote on their behalf, they should ensure that they have specified the way that the Chairman must vote on Resolution 2.

GLOSSARY

In this Explanatory Memorandum and the Notice, the following terms have the following meanings unless the context otherwise requires:

AGM	means an Annual General Meeting
ASX	means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
Board	means the board of Directors of the Company.
Closely Related Party	has the same meaning as defined in Section 9 of the Corporations Act.
Company	means Laconia Resources Limited ABN 29 137 984 297.
Corporations Act	means Corporations Act 2001 (Cth).
Director	means a director of the Company.
Explanatory Memorandum	means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.
Listing Rules	means the listing rules of ASX.
Notice or Notice of Meeting	means the Notice of Annual General Meeting accompanying this Explanatory Memorandum.
Remuneration Report	means the remuneration report in the Directors' Report section of the Company's Annual Report
Resolution	means a resolution contained in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a share.

The Company Secretary
Laconia Resources Limited
C/- DWCorporate Pty Ltd
PO Box 1153
WEST PERTH WA 6872

Facsimile: +618 9389 2199

Email: proxy@dwcorporate.com

Shareholder Details

Name:

Address:

Contact Telephone No:

Contact Name (if different from above):

Appointment of Proxy

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

☐

The Chairman
of the meeting

OR

Write here the name of the person you are
appointing if this person is someone other than
the Chairman of the Meeting.

(mark with an 'X')

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 of Laconia Resources Limited to be held on 7 November 2011 and at any adjournment of the meeting.

☐

IMPORTANT

If you wish to instruct your proxy how to vote, insert "X" in the appropriate column against the item of business set out below. *You must direct the proxy how to vote on Resolution 2 (Remuneration Report) in order for your vote to be cast.*

If you do not wish to direct your proxy how to vote on all resolutions other than Resolution 2, please place a mark in the box. By marking this box, you acknowledge that the Chairperson may exercise your proxy for all resolutions other than Resolution 2 even if he has an interest in the outcome of the resolution and votes cast by him other than as a proxy holder will be disregarded because of that interest. The Chairperson has advised that his intention is to vote in favour of the resolutions.

If you do not mark this box, and you have not directed your proxy how to vote, the Chairperson will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

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

Ordinary Business

Resolution 1. Re- election of Michael Sharwood
Resolution 2. Adoption of Remuneration Report (non-binding)

For Against Abstain*

☐	☐	☐
☐	☐	☐

*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

Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A Shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the Shareholder's proxy. A proxy need not be a Shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the Shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the Shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the Shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed in accordance with its constitution or its duly authorised attorney. In the case of joint Shareholders, this proxy must be signed by each of the joint Shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a Shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies **must be received by the Company by 10:00am on 5 November 2011** by post, facsimile or email to the respective addresses stipulated in this proxy form.
6. In respect of the Remuneration report resolution (Resolution 2), Shareholders are advised that their votes will not be counted if the Chairman is appointed to vote on their behalf with an undirected proxy form. As a result, if Shareholders wish to appoint the Chairman to vote on their behalf, they should ensure that they have specified the way that the Chairman must vote on that resolution.
7. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
 - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
 - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
 - (c) if the proxy is the Chairperson, the proxy must vote on a poll and must vote that way, and
 - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.
8. If a proxy is also a Shareholder, the proxy can cast any votes the proxy holds as a Shareholder in any way that the proxy sees fit.