

THIS IS AN IMPORTANT DOCUMENT

AND REQUIRES YOUR ATTENTION

If you are in any doubt as to how to deal with it,
please consult your financial or other professional adviser.

STELLAR RESOURCES LIMITED
ABN 96 108 758 961

('Stellar' or 'Company')

NOTICE OF ANNUAL GENERAL MEETING

and

EXPLANATORY STATEMENT

The Annual General Meeting will be held:

- at Flinders Room, Christie Conference Centre, Lower Ground Floor, 454 Collins Street, Melbourne, Victoria 3000;
- on Monday 17 November 2014 at 10.30am AEDT.

You can vote by:

- attending and voting at the Meeting; or
- appointing someone as your proxy to attend and vote at the Meeting on your behalf, by completing and returning the proxy form to Boardroom Pty Ltd in the manner set out in the proxy form. The proxy form must be received by the Share Registry of Stellar no later than 10.30am AEDT on Saturday 15 November 2014.

STELLAR RESOURCES LIMITED
ABN 96 108 758 961

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the members of **Stellar Resources Limited** will be held:

- **on Monday, 17 November 2014**
- **at 10.30am AEDT**
- **at Flinders Room, Christie Conference Centre, Lower Ground Floor, 454 Collins Street, Melbourne, Victoria 3000**

1. BUSINESS

A. Financial Statements and Reports

To table the following statements and reports and provide members with the opportunity to raise any issues or ask questions generally of the Directors concerning those financial statements or the business operations of the Company:

- (a) the annual financial report of the Company and controlled entities for the year ended 30 June 2014, together with the declaration of Directors;
- (b) the Directors' report;
- (c) the Remuneration Report; and
- (d) the independent auditor's report thereon.

B. Ordinary Resolutions

To consider and, if thought fit, to pass the following resolutions, in the case of Resolution 1 as a non-binding resolution, and in all other cases as an ordinary resolution:

Resolution 1: Adoption of Remuneration Report

"**THAT** for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2014."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Resolution 2: Re-election of Director – Mr M. Lopez de Letona

"**THAT** Mr Miguel Lopez de Letona, a Director retiring in accordance with clause 55.2 of the Company's constitution, being eligible for re-election and having signified his candidature for the office, be re-elected as a Director of the Company."

Resolution 3: Re-election of Director – Dr T. H. Whiting

"**THAT** Dr Thomas H Whiting, a Director retiring in accordance with clause 57.1 of the Company's constitution, being eligible for re-election and having signified his candidature for the office, be re-elected as a Director of the Company."

Resolution 4: Ratification of Prior Issue – Shares

"**THAT** for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 742,933 Shares to Citicorp Nominees Pty Ltd on the terms and conditions set out in the Explanatory Statement."

Resolution 5: Exemption of Issue of Securities Under Scheme

"**THAT** for the purposes of Rule 7.2 (Exception 9(b)) of the Listing Rules of ASX Limited, and all other purposes, approval is given to the issue of securities of the Company under the Stellar Employee Option Plan as an exception to Rule 7.1 of those Listing Rules."

Resolution 6: Issue of Options to Mr P. G. Harman

“**THAT** in accordance with Listing Rule 10.11, sections 195(4) and 208 of the Corporations Act, and for all other purposes, the Company is authorised to issue 5,000,000 Director Options to Mr P. G. Harman, a Director, or his nominee, on the terms and conditions set out in the Explanatory Statement.”

Resolution 7: Issue of Options to Dr T. H. Whiting

“**THAT** in accordance with Listing Rule 10.11, sections 195(4) and 208 of the Corporations Act, and for all other purposes, the Company is authorised to issue 2,500,000 Director Options to Dr T. H. Whiting, a Director, or his nominee, on the terms and conditions set out in the Explanatory Statement.”

Resolution 8: Issue of Options to Dr M. Elsasser

“**THAT** in accordance with Listing Rule 10.11, sections 195(4) and 208 of the Corporations Act, and for all other purposes, the Company is authorised to issue 2,500,000 Director Options to Dr M. Elsasser, a Director, or his nominee, on the terms and conditions set out in the Explanatory Statement.”

Resolution 9: Issue of Options to Mr M. Lopez de Letona

“**THAT** in accordance with Listing Rule 10.11, sections 195(4) and 208 of the Corporations Act, and for all other purposes, the Company is authorised to issue 2,500,000 Director Options to Mr M. Lopez de Letona, a Director, or his nominee, on the terms and conditions set out in the Explanatory Statement.”

Resolution 10: Issue of Options to Mr P. G. Blight

“**THAT** in accordance with Listing Rule 10.11, sections 195(4) and 208 of the Corporations Act, and for all other purposes, the Company is authorised to issue 5,000,000 Director Options to Mr P. G. Blight, a Director, or his nominee, on the terms and conditions set out in the Explanatory Statement.”

C. Special Resolution

To consider and, if thought fit, to pass the following resolution as a special resolution:

Resolution 11: Approval of 10% Placement Facility

“**THAT**, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”

2. VOTING RESTRICTIONS

Resolution 1

A vote on Resolution 1 must not be, and the Company will disregard any vote, cast (in any capacity) by or on behalf of either a member of the Company’s key management personnel (as described below), details of whose remuneration are included in the Remuneration Report (**KMP member**) or a closely related party of a KMP member (as described below) (**Closely Related Party**).

However, a KMP member or a Closely Related Party may cast a vote on Resolution 1 (**Voter**) as a proxy if the vote is not cast on behalf of a KMP member or a Closely Related Party and either the Voter is appointed as a proxy by writing that specifies how the proxy is to vote on Resolution 1 and expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a KMP member.

KMP members are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director of the Company.

If you are a KMP member or a Closely Related Party (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as stated above), you may commit an offence by breaching the voting restrictions that apply to you under the Corporations Act.

A **Closely Related Party** means any of the following:

- a spouse or child of the KMP member;
- a child of the KMP member's spouse;
- a dependant of the KMP member or the KMP member's spouse;
- anyone else who is one of the KMP member's family and may be expected to influence the KMP member, or be influenced by the KMP member, in the KMP member's dealings with the Company;
- a company the KMP member controls;
- a person prescribed by regulations (as at the date of this Notice of Annual General Meeting, no such regulations have been prescribed).

The proxy form accompanying this Notice contains instructions regarding how to complete the proxy form if a Shareholder wishes to appoint the Chairperson as his or her proxy and to authorise the Chairperson to vote on the resolution to adopt the Remuneration Report. You should read those instructions carefully.

Resolutions 4 to 10 (inclusive)

The Company will disregard any votes cast on:

- Resolution 4 by a person that participated in the issue and their associates;
- Resolution 5 by a director except one who is ineligible to participate in the scheme and their associates;
- Resolution 6 by Mr P. G. Harman and any associate of Mr P. G. Harman;
- Resolution 7 by Dr T. H. Whiting and any associate of Dr T. H. Whiting;
- Resolution 8 by Dr M. Elsasser and any associate of Dr M. Elsasser;
- Resolution 9 by Mr M. Lopez de Letona and any associate of Mr M. Lopez de Letona; and
- Resolution 10 by Mr P. G. Blight and any associate of Mr P. G. Blight.

However the Company need not disregard a vote if it is cast by a **person** as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form accompanying this Notice, or, it is cast by the chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form accompanying this Notice to vote as the proxy decides.

A person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 5 to 10 (inclusive) if the proxy is either a KMP member or Closely Related Party and the appointment does not specify the way the proxy is to vote on the relevant Resolution. However, the above prohibition does not apply if the proxy is the Chairperson and the appointment expressly authorises the Chairperson to exercise the proxy even though the relevant Resolution is connected directly or indirectly with remuneration of a KMP member.

Resolution 11

The Company will disregard any votes cast on Resolution 11 by a person (and any associate of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 11 is passed. However, the Company need not disregard a vote cast on Resolution 11 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 proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

3. VOTING ENTITLEMENT

The Directors of the Company have determined that the shareholding of each member for the purposes of ascertaining voting entitlements for the Annual General Meeting will be as it appears on the Register of Members at 7.00pm (AEDT) on Saturday 15 November 2014.

4. HOW TO VOTE

Shareholders entitled to vote at the Annual General Meeting may vote by attending the Meeting in person, by attorney or proxy or, in the case of corporate shareholders, by a corporate representative.

5. VOTING IN PERSON OR BY ATTORNEY

Shareholders or their attorneys wishing to vote in person should attend the Meeting. Persons are asked to arrive at least 30 minutes prior to the time the Meeting is to commence, so that their shareholding may be checked against the register and their attendance recorded. Shareholders intending to attend the Meeting by attorney must ensure that they have, not later than 48 hours prior to the time the Meeting is to commence, 10.30am AEDT, Saturday, 15 November 2014 provided the original or a certified copy of the power of attorney to the Company, in the same manner prescribed below for the giving of proxy forms to the Company.

6. VOTING BY PROXY

- (a) Shareholders wishing to vote by proxy must complete, sign and deliver the enclosed personalised proxy form or forms, in accordance with the instructions on the form, prior to 10.30am AEDT on Saturday 15 November 2014 by:
 - Mail to: Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001;
 - Hand delivery to: Boardroom Pty Limited, Level 7, 207 Kent Street, Sydney NSW 2000; or
 - Fax to: Stellar Resources Limited c/- Boardroom Pty Limited on +61 2 9290 9655; or
 - Online at www.votingonline.com.au/stellaragm2014
- (b) A Shareholder who is entitled to vote at the Meeting may appoint:
 - (i) one proxy if the Shareholder is only entitled to one vote; or
 - (ii) one or two proxies if the Shareholder is entitled to more than one vote.
- (c) If a Shareholder appoints one proxy, that proxy may vote on a show of hands. If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.
- (d) Where the Shareholder appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not do so, each proxy may exercise one-half of the votes, and any fraction of votes will be disregarded.
- (e) A proxy need not be a Shareholder of the Company. In the case of joint holders, all should sign the proxy form. In the case of corporations, proxies must be executed in accordance with the Corporations Act.
- (f) To be valid, a proxy form signed under a power of attorney must be accompanied by the signed power of attorney, or a certified copy of the power of attorney.
- (g) You are encouraged when completing the proxy form to direct the proxy by indicating a vote "For" or "Against" or "Abstain". If the abstention box for the item of business is marked, the proxy will be directed not to vote on a show of hands or on a poll and the relevant shares will not be counted in calculating the required majority on a poll. If no box is marked, the proxy will not have been directed how to vote and may therefore vote as he or she thinks fit, or abstain from voting.
- (h) If the proxy form is signed by the Shareholder but does not name the proxy or proxies in whose favour it is given, the Chairperson of the Meeting may either act as proxy or complete the proxy by inserting the name of one or more Directors or the Company Secretary.

- (i) The Chairperson of the Annual General Meeting, the Company Secretary or any Directors of the Company intend to vote all undirected proxies from Shareholders (who are eligible to vote in favour of the Resolutions) in favour of the Resolutions to be voted on at the Annual General Meeting.
- (j) If you complete a proxy form that authorises the Chairperson of the Annual General Meeting to vote on your behalf as a proxyholder, and you do not mark any of the boxes "For" "Against" or "Abstain" so as to give the Chairperson directions about how your vote should be cast, your proxy will automatically be directed in favour of the resolution to adopt the Remuneration Report (i.e. Resolution 1), and the Chairperson will vote accordingly.
- (k) If you require an additional proxy form, the Company will supply it on request to the undersigned.

7. VOTING BY CORPORATE REPRESENTATIVE

Corporate Shareholders wishing to vote by corporate representative should:

- (a) obtain an appointment of corporate representative form from the Registry;
- (b) complete and sign the form in accordance with the instructions on it; and
- (c) bring the completed and signed form with them to the Annual General Meeting.

DATED 10 October 2014

BY ORDER OF THE BOARD



.....
Christina R Kemp
Company Secretary

EXPLANATORY STATEMENT

INTRODUCTION

The purpose of this Explanatory Statement is to provide Shareholders with an explanation of the business of the Meeting and the Resolutions proposed to be considered at the Annual General Meeting to be held on Monday 17 November 2014 and to assist Shareholders in determining how they wish to vote on those Resolutions. This Explanatory Statement should be read in conjunction with the Notice of Meeting and forms part of the Notice of Meeting.

Certain terms used in this Explanatory Statement and the Notice of Meeting of which it forms part are defined in section 5 of this Statement (Interpretation).

1. BUSINESS OF THE MEETING – SUMMARY

- a. To table the financial statements of the Company for the period ended 30 June 2014 and to give the members the opportunity to raise issues and ask questions generally concerning the financial statements or business operations of the Company;

To consider and vote on the following ordinary resolutions:

Resolution 1 – to adopt the Remuneration Report;

Resolution 2 – to re-elect Mr Miguel Lopez de Letona as a Director;

Resolution 3 – to re-elect Dr Thomas H. Whiting as a Director;

Resolution 4 – ratification of prior issue - shares;

Resolution 5 – to exempt from Listing Rule 7.1 the issue of any securities under the Stellar Employee Option Plan

Resolution 6 – to authorise the issue of options to Mr P. G. Harman;

Resolution 7 – to authorise the issue of options to Dr T. H. Whiting;

Resolution 8 – to authorise the issue of options to Dr M. Elsasser;

Resolution 9 – to authorise the issue of options to Mr M. Lopez de Letona; and

Resolution 10 – to authorise the issue of options to Mr P. G. Blight.

- b. To consider and vote on the following special resolution:

Resolution 11 – to approve a 10% Placement Facility under Listing Rule 7.1A.

2. WHY THE MEETING IS BEING HELD

2.1 Financial Statements and Reports

The Board is required to lay before the Meeting the annual financial statements, Directors' report, Remuneration Report and independent auditor's report for the year ended 30 June 2014.

Copies of the annual financial statements and abovementioned reports are contained in the Annual Report for the financial year ended 30 June 2014 which has been lodged with ASX and is available for Shareholders to access and download from the Company's website: www.stellarresources.com.au

Shareholders can also request a printed copy of the Annual Report by telephoning the Company Secretary, Ms Christina Kemp on (+61 3) 9618 2540. Shareholders who have opted in writing to receive a hard copy of the Annual Report will receive it in the mail with this Notice of Meeting.

The Chairperson of the Meeting will take Shareholders' questions and comments about the management of the Company. The auditor of the Company will be available to take Shareholders' questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements or the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the auditor about the content of the auditor's report or the conduct of the audit of the Annual Financial Report to be considered at the Meeting may be submitted not later than five business days before the Meeting to:

The Company Secretary
Stellar Resources Limited
Level 17, 530 Collins Street
Melbourne VIC 3000

Facsimile: +61 3 9649 7200

E-mail: chris.kemp@stellarresources.com.au

Copies of any questions received will be made available at the Meeting. The Chairperson of the Meeting will allow the auditor to answer written questions submitted to the auditor before the Meeting. If the auditor has prepared a written answer to a question, the Chairperson of the Meeting may permit the auditor to table that written answer. A written answer tabled at the Meeting will be made reasonably available to members as soon as practicable after the Meeting.

Shareholders are not required to pass any resolution in relation to the financial statements and reports (other than Resolution 1 being the adoption of the Remuneration Report for the year ended 30 June 2014).

2.2 Resolution 1 – Adoption of Remuneration Report for Year Ended 30 June 2014

The Remuneration Report forms part of the statutory Annual Report for the year ended 30 June 2014 which is available for Shareholders to access and download from the Company's website: www.stellarresources.com.au. The Remuneration Report sets out the remuneration policy of the Company and reports the remuneration arrangements in place for specified executives, including the Managing Director, and the non-executive Directors.

The Company is required by the Corporations Act to put to the vote at the Annual General Meeting a resolution that the Remuneration Report be adopted. But, it should be noted, the vote on this resolution is **advisory only** and does not bind the Directors or the Company. Accordingly, the Company will not be required to alter any arrangements detailed in the Remuneration Report, should the Report not be adopted. However, notwithstanding this strict legal position, the Board has determined that it will take the outcome of the vote and comments made by Shareholders on the Remuneration Report into consideration when determining the remuneration policy of the Company.

Further, under the Corporations Act, if 25% or more of the votes cast on Resolution 1 are against adoption of the Remuneration Report, then:

- if comments are made on the Remuneration Report at the Annual General Meeting, the Company's Remuneration Report for the period ending 30 June 2015 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this; and
- if, at the Company's 2015 Annual General Meeting, 25% or more of the votes cast on the resolution for the adoption of the Remuneration Report for the financial year ended 30 June 2014 are against its adoption, and at the Meeting convened by this Notice at least 25% of the votes cast on Resolution 1 were against adoption of the Remuneration Report, the Company must put to its Shareholders a resolution proposing that an Extraordinary General Meeting (**Spill Meeting**) be held within 90 days of the date of the 2015 Annual General Meeting to consider the appointment of Directors (**Spill Resolution**). Where a Spill Resolution is carried at the Spill Meeting (i.e more than 50% of the votes cast on the Spill Resolution are in favour of the Spill Resolution), all of the Directors in office at the 2015 Annual General Meeting will cease to hold office immediately before the end of the Spill Meeting, unless they are re-elected at the Spill Meeting.

The Company recommends that Shareholders who submit proxies should consider giving "how to vote" directions to their proxyholder on each resolution, including this Resolution 1. If you complete a proxy form that authorises the Chairperson of the Annual General Meeting to vote on your behalf as proxyholder, and you do not mark any of the boxes "For" or "Against" or "Abstain" so as to give the Chairperson directions about how your vote should be cast, your proxy will automatically be directed in favour of the resolution to adopt the Remuneration Report and the Chairperson will vote accordingly.

If you wish to appoint the Chairperson of the Annual General Meeting as your proxyholder but you do not want to put the Chairperson in the position to cast your votes in favour of Resolution 1, you should complete the appropriate box on the proxy form, directing the Chairperson to vote against or abstain from voting on Resolution 1.

Before calling for votes in relation to this resolution, the Chairperson of the Meeting will allow a reasonable opportunity for the members present to ask questions about, or make comments on, the Remuneration Report.

The Directors make no voting recommendation to Shareholders in relation to this Resolution.

2.3 Resolution 2 – Re-election of Mr Miguel Lopez de Letona as a Director

Clause 55.1 of the Company's constitution provides that, so long as the maximum permitted number of directors is not exceeded, the Directors may appoint any person as a Director to fill a casual vacancy or as an addition to the Board. Clause 55.2 of the Company's constitution provides that, unless the Director is an Executive Director and the Listing Rules do not require the Director to be subject to retirement, a Director appointed under clause 55.1 will hold office until the end of the next Annual General Meeting of the Company, at which the Director may be re-elected.

Mr Miguel Lopez de Letona was appointed by the Directors on 21 May 2014.

Mr Lopez de Letona is a Belgian based investment advisor and investor who has sourced, structured, negotiated and managed private equity investments in the natural resource industry for the past decade. Prior to his involvement in private equity, Mr Lopez de Letona was a management consultant and banker with leading financial institutions.

Currently, Mr Lopez de Letona does not hold any other listed company directorships.

Details of Mr Lopez de Letona's qualifications and further details of his experience are contained in the Directors' Report forming part of the 2014 Annual Report.

Mr Lopez de Letona will retire in accordance with the requirements of the Company's constitution at the close of the Annual General Meeting. He seeks re-election as a Director of the Company at the Meeting.

The Directors (other than Mr Lopez de Letona) recommend that you vote in favour of this Resolution. Mr Lopez de Letona makes no recommendation to Shareholders.

2.4 Resolution 3 – Re-election of Dr Thomas Whiting as a Director

Clause 57.1 of the Company's constitution provides that, at the close of each Annual General Meeting, one third of the Directors (or, if their number is not a multiple of three, then the number nearest to but not more than one third of the Directors) must retire from office. The Directors retire by rotation, with the Director(s) who have been the longest in office since being appointed or re-appointed being the Director(s) who must retire in any year. With there being five Directors (ignoring Mr Lopez de Letona and Mr Blight who are not to be taken into account for this purpose), this provision requires one Director to retire by rotation at this year's Annual General Meeting. With Mr Harman having been re-elected at the 2013 Annual General Meeting, it falls to Dr Whiting to retire by rotation at the conclusion of the 2014 Annual General Meeting. Under clause 57.4, a retiring Director is entitled to offer himself for re-election as a Director at the Annual General Meeting which coincides with his retirement.

Dr Whiting is a geophysicist by profession and has over 30 years experience in the minerals exploration sector. From 2000 to 2004, he led BHP Billiton's global minerals exploration group as Vice President of Minerals Exploration. During his career with BHP Billiton he was associated with a number of discoveries and was at the forefront of promoting the development and application of new exploration technologies related to the search for ore deposits under cover. He is currently a consultant to a number of other mineral exploration companies. He was appointed to the Board of the Company in February 2011, being a term of 3 years and 8 months.

Currently, Dr Whiting is also non-executive Director of ASX listed Mineral Deposits Limited and non-executive Chairperson of the Deep Exploration Technologies Cooperative Research Centre.

He is a member of the Society of Exploration Geophysicists and the Australian Institute of Company Directors.

Details of Dr Whiting's qualifications and further details of his experience are contained in the Directors' Report forming part of the 2014 Annual Report.

Dr Whiting will retire in accordance with the requirements of the Company's constitution at the close of the Annual General Meeting. He seeks re-election as a Director of the Company at the Meeting.

The Directors (other than Dr Whiting) recommend that you vote in favour of this Resolution. Dr Whiting makes no recommendation to Shareholders.

2.5 Resolution 4 – Ratification of Prior Issue – Shares

General

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 742,933 shares to clients of Citicorp Nominees Pty Ltd.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during a 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1 and 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 or 7.1A (and provided that the previous issue did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Technical Information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification:

- (a) 742,933 Shares were issued to Citicorp Nominees Pty Ltd on the following basis:
 - (i) 742,933 shares issued pursuant to Listing Rule 7.1; and
 - (ii) Nil shares issued pursuant to Listing Rule 7.1A; and
- (b) the Shares were issued to Citicorp Nominees Pty Ltd for \$Nil cash consideration as commission payable at a rate of 6% of the 12,382,221 shares issued to Capetown S.A. under the non-renounceable rights issue completed April 2014;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were allotted and issued to clients of Citicorp Nominees Pty Ltd. None of these are related parties of the Company; and
- (e) no funds were raised from the issue to Citicorp Nominees Pty Ltd as the shares were issued for \$Nil cash consideration as commission payable in relation to shares issued to Capetown S.A. (as specified above in paragraph 2.5(b)).

2.6 Resolution 5 – Exemption of Issue of Securities Under Scheme

Rule 7.1 of the Listing Rules restricts the number of shares and options a listed entity can issue without Shareholder approval. Put simply, without the approval of holders of ordinary securities, an entity may not in any 12 month period issue, or agree to issue, a number of shares and/or options exceeding 15 per centum of the number of fully paid ordinary shares on issue at the commencement of that period.

Listing Rule 7.1A was recently introduced to enable an eligible entity to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% Placement capacity under Listing Rule 7.1.

Rule 7.2 contains a number of exceptions to Rules 7.1 and 7.1A. In particular, Rule 7.2 Exception 9(b) of the Listing Rules provides that Rules 7.1 and 7.1A do not apply to an issue under an employee incentive scheme if

within three years before the date of issue holders of ordinary securities have approved the issue of securities under the scheme as an exception to these rules.

At the 2010 Annual General Meeting of the Company held on 26 November 2010, Shareholders passed an ordinary resolution pursuant to Rule 7.2 Exception 9(b). The exemption from Listing Rule 7.1 conferred by that resolution expired on 26 November 2013.

A new resolution pursuant to Rule 7.2 Exception 9(b) is now proposed in order to provide, if passed, a further exemption from Listing Rule 7.1 (and also an exemption from Listing Rule 7.1A) of issues under the Stellar Employee Option Plan for a period of three years from the date of the 2014 Annual General Meeting.

Rule 7.2 Exception 9(b) of the Listing Rules provides that, when approval is sought under this Rule, the Notice of Meeting must include the following:

(a) *a summary of the terms of the scheme, which follows:*

Purpose

The purpose of the Stellar Employee Option Plan is to encourage participation by Employees in the ownership of the Company through the opportunity afforded to acquire shares and to attract, motivate and retain Employees.

Offers to Employees

The Company may make offers to Employees to issue options to subscribe for unissued ordinary shares of the Company. No Director may receive an offer under the Plan. An Employee must accept an offer of options within 10 business days of its receipt.

Exercise Price

The exercise price for options granted under the Plan will be fixed by the Board prior to the making of an offer to an Employee and specified in the offer.

Vesting Conditions

The options granted under the Plan may be subject to such vesting conditions as may be fixed by the Board prior to the grant of the options and specified in the offer.

Participation and Other Rights

All shares issued upon the exercise of options will rank equally with all other issued ordinary shares and the Company will apply for quotation of all shares issued upon exercise. Options granted under the Plan do not confer any right to participate in dividends or rights issues until ordinary shares are allotted following the exercise of the options. The number of ordinary shares issued on exercise of the options will however be adjusted for bonus issues made prior to their exercise.

Lapse of Options

The options will lapse upon the earlier of their expiry, 60 days after the Employee ceases to be an employee for any reason other than death, 12 months from the date the Employee dies or, where a takeover bid within the meaning of the Corporations Act has been made for the Company, the end of the bid period.

Reorganisation of Capital

If the Company reorganises its capital before any options are exercised, the terms of the options will be changed to the extent necessary to comply with the ASX listing rules.

Transfer

Except with the prior written approval of the Board, options granted under the Plan are not transferable.

5% cap

The number of options that may be granted under the Plan when aggregated with:

- the number of ordinary shares that would be issued if all options issued under all employee option plans of the Company were exercised; and
- the number of ordinary shares issued by the Company during the preceding three years under any employee share plan and employee option plan

must not exceed 5% of the issued ordinary shares of the Company at the time the options are granted.

Powers of the Board

The Plan will be administered by the Board which will have an absolute discretion to resolve conclusively all questions of fact or interpretation arising in connection with the Plan.

(b) *the number of securities issued under the scheme since the last approval*

Since the previous approval by Shareholders on 26 November 2010, the Company has issued 3,375,000 options under the scheme. As at the date of this Explanatory Statement, none of these options remain on issue.

(c) *a voting exclusion statement*

A voting exclusion statement is not required because no Director is permitted to participate in the Plan.

The Directors of the Company recommend that you vote in favour of this resolution.

2.7 Resolutions 6, 7, 8, 9 and 10 – Authority to Issue Options to Directors

2.7.1 Introduction

The Directors have resolved to refer to members for approval of the issue of 5,000,000 options to each of Mr P.G. Harman and Mr P.G. Blight and 2,500,000 options to Dr T.H. Whiting, Dr M. Elsasser and Mr M. Lopez de Letona, each a Director, or their respective nominee, on the basis set out in the Explanatory Statement (Director Options). The terms of the Director Options are set out in more detail below.

Approval for the issue of the Director Options is sought in accordance with the provisions of Listing Rule 10.11 and Chapter 2E of the Corporations Act.

A copy of this Explanatory Statement and the Notice of Meeting of which it forms part has been lodged with ASIC in accordance with section 218 of the Corporations Act.

2.7.2 Regulatory Requirements

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless the benefit falls within one of the various exceptions to the general prohibition. One of the exceptions is where the Company first obtains the approval of its Shareholders in general meeting in circumstances where the requirements of Chapter 2E in relation to the convening of that meeting have been met.

A “related party” is defined widely in Chapter 2E and includes a Director of the public company and any entity controlled by that Director.

A “financial benefit” also has a very wide meaning for the purposes of Chapter 2E. It includes the public company paying money or issuing securities to the related party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing, rather than just the legal form. Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

The proposed issue of Director Options to each Director under Resolutions 6, 7, 8, 9, and 10, if passed, will confer financial benefits upon Mr P. G. Harman, Dr T. H. Whiting, Dr M. Elsasser, Mr M. Lopez de Letona and Mr P. G. Blight or their respective nominees, and the Company seeks to obtain Shareholder approval in accordance with the requirements of Chapter 2E. For this reason, and for all other purposes, the following information is provided to Shareholders.

Because each Director has a material personal interest in the proposed issue of Director Options, the Board has been unable to form a quorum to determine whether the exceptions to section 208 of the Corporations Act applies. The Directors accordingly exercise their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

(i) The related party to whom Resolutions 6, 7, 8, 9 and 10 would permit the financial benefit to be given

It is intended that each of Mr P. G. Harman, Dr T. H. Whiting, Dr M. Elsasser, Mr M. Lopez de Letona and Mr P. G. Blight will receive the financial benefit (being the Director Options), who are related parties by virtue of being Directors of the Company.

(ii) The nature of the financial benefit

- The maximum number of Director Options to be issued to each Director (being nature of the proposed financial benefit to be given) is:
 - 5,000,000 Director Options to Mr P. G. Harman (or his nominee);
 - 5,000,000 Director Options to Mr P. G. Blight (or his nominee);
 - 2,500,000 Director Options to Dr T. H. Whiting (or his nominee);
 - 2,500,000 Director Options to Dr M. Elsasser (or his nominee); and
 - 2,500,000 Director Options to Mr M. Lopez de Letona (or his nominee).
- The Director Options will be issued for \$Nil consideration, accordingly no funds will be raised;
- The Director Options shall be exercisable into fully paid Shares at an exercise price of \$0.06, \$0.08, \$0.10 and \$0.12 each expiring on 20 November 2019 as defined in Schedule 2 to this Notice;
- The terms and conditions of the Director Options are set out in Schedule 1 to this Notice; and
- The value of the Director Options and pricing methodology is set out in Schedule 2 to this Notice.

(iii) Directors' interest and other remuneration

Resolution 6 – Mr P. G. Harman

Mr P. G. Harman has a material personal interest in the outcome of Resolution 6, as it is proposed that the 5,000,000 Director Options be issued to him or his nominee.

As at the date of this Explanatory Statement, Mr P. G. Harman and entities controlled by him hold 1,279,704 Shares and neither Mr Harman nor any corporation controlled by him holds any options to subscribe for Shares.

Mr Harman currently receives Directors' remuneration of \$65,550 per annum (including superannuation) for his services as Non-executive Chairperson of the Company.

Resolution 7 – Dr T. H. Whiting

Dr T. H. Whiting has a material personal interest in the outcome of Resolution 7, as it is proposed that the 2,500,000 Director Options be issued to him or his nominee.

As at the date of this Explanatory Statement, Dr T. H. Whiting and entities controlled by him hold 816,841 Shares and neither Dr Whiting nor any corporation controlled by him holds any options to subscribe for Shares.

Dr Whiting currently receives Directors' remuneration of \$32,775 per annum (including superannuation) for his services as a Non-Executive Director of the Company.

Resolution 8 – Dr M. Elsasser

Dr M. Elsasser has a material personal interest in the outcome of Resolution 8, as it is proposed that the 2,500,000 Director Options be issued to him or his nominee.

As at the date of this Explanatory Statement, Dr M. Elsasser and entities controlled by him hold 5,717,666 Shares and neither Dr Elsasser nor any corporation controlled by him holds any options to subscribe for Shares.

Dr Elsasser currently receives Directors' remuneration of \$32,775 per annum for his services as a Non-Executive Director of the Company.

Resolution 9 – Mr M. Lopez de Letona

Mr M. Lopez de Letona has a material personal interest in the outcome of Resolution 9, as it is proposed that the 2,500,000 Director Options be issued to him or his nominee.

As at the date of this Explanatory Statement, Mr M. Lopez de Letona and entities controlled by him hold nil Shares and neither Mr Lopez de Letona nor any corporation controlled by him holds any options to subscribe for Shares.

Mr Lopez de Letona currently receives Directors' remuneration of \$32,775 per annum for his services as a Non-Executive Director of the Company.

Resolution 10 – Mr P.G. Blight

Mr P. G. Blight has a material personal interest in the outcome of Resolution 10, as it is proposed that the 5,000,000 Director Options be issued to him or his nominee.

As at the date of this Explanatory Statement, Mr P. G. Blight and entities controlled by him hold 2,044,675 Shares and neither Mr Blight nor any corporation controlled by him holds any options to subscribe for Shares.

Mr Blight currently receives remuneration of \$220,000 (including superannuation) per annum for his services as Managing Director of the Company.

Directors' Interests in Shares upon exercise of Director Options (if issued)

If approval under Resolutions 6 to 10 (inclusive) is obtained and all of the Director Options issued are exercised by Mr Harman, Dr Whiting, Dr Elsasser, Mr Lopez de Letona and Mr Blight, or their respective nominees, a total of 17,500,000 Shares would be issued. This will increase the total number of Shares on issue to 317,727,775 (assuming that no other Options are issued and no other Shares are issued), with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 5.50%, comprising 1.57% by each of Messrs Blight and Harman and 0.78% by each of Messrs Elsasser, Whiting and Lopez de Letona.

The table below sets out the effect on the shareholdings of each Director and the dilutionary impact on current Shareholders of the Company should the Director Options be exercised:

Shareholder	Current Share Holding	% of Total Share Capital (300,227,775 Shares on issue)	Shares held upon exercise of Director Options ^{1, 2, 3}	% of Total Share Capital (307,227,775 Shares on Issue) ^{1,2,3}
Current Shareholders (other than Directors)	290,368,889	96.72%	290,368,889	91.39%
Mr P. G. Harman	1,279,704	0.43%	6,279,704	1.98%
Dr T. H. Whiting	816,841	0.27%	3,316,841	1.04%
Dr M. Elsasser	5,717,666	1.90%	8,217,666	2.59%
Mr M. Lopez de Letona	-	0.00%	2,500,000	0.79%
Mr P. G. Blight	2,044,675	0.68%	7,044,675	2.22%
Total	300,227,775	100.00%	317,727,775	100.00%

- Notes:
1. Assuming that no other Shares are issued.
 2. Assuming each of Mr Harman, Dr Whiting, Dr Elsasser, Mr Lopez de Letona and Mr Blight, or their nominees, exercise all of their Director Options.
 3. Assuming that no other Options to subscribe for Shares are exercised.

The market price for Shares during the term of the Director Options would normally determine whether or not the Director Options are exercised. If, at any time any of the Director Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Director Options, there may be a perceived cost to the Company.

(iv) Any other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors

There is no other information known to the Company or any of its Directors that is reasonably required by Shareholders to make a decision with respect to Resolutions 6, 7, 8, 9 and 10 save and except as follows:

Opportunity Costs

The Company may have been able to issue the Director Options to a third party for a price. In addition, by issuing the Director Options to Mr Harman, Dr Whiting, Dr Elsasser, Mr Lopez de Letona and Mr Blight, or their respective nominees, there is a potentially dilutionary impact on the issued share capital of the Company, in the event that the Director Options are exercised. Until exercised, the issue of the Director Options will not impact upon the number of Shares on issue in the Company. To the extent that a price may have been obtained from a third party and that upon their exercise the dilutionary impact caused by the issue of Shares will be detrimental to the Company, this is more than offset by the advantages accruing from the Company securing the services of skilled Directors on appropriate incentive terms.

It is also considered that the potential increase in the value of the Director Options is dependent upon a concomitant increase in the value of the Company generally.

Taxation Consequences

No stamp duty will be payable as a result of the issue of the Director Options. No GST will be payable by the Company in relation to the issue of the Director Options (or if it is it will be recoverable as an input tax credit). The issue of the Director Options will not have any adverse income tax consequences for the Company.

Trading history of Shares

The trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	0.060 cents	17/01/2014 03/10/2013
Lowest	0.037 cents	25/06/2014 20/06/2014 19/06/2014 24/06/2014 23/06/2014
Last	0.042 cents	03/10/2014

Listing Rule 10.11

Listing Rule 10.11 requires an entity to obtain the approval of Shareholders to an issue of securities to a related party. Each of Mr Harman, Dr Whiting, Dr Elsasser, Mr Lopez de Letona and Mr Blight, being a Director of the Company, is a related party of the Company. Accordingly, because the issue of the Director Options will result in the Company issuing securities to a related party, approval under Listing Rule 10.11 is required.

If approval is given under Listing Rule 10.11, approval will not be required under Listing Rule 7.1. Accordingly the issue of Director Options to Directors will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

For the purposes of Listing Rule 10.13, the Company advises as follows:

- The maximum total number of Director Options to be issued to the Directors or their respective nominees, is 17,500,000 Director Options (being 2,500,000 Director Options to Messrs Whiting, Elsasser and Lopez de Letona or their nominees and 5,000,000 Director Options to Messrs Harman and Blight);
- The Director Options are intended to be issued as soon as possible following the Annual General Meeting, but in any event no later than one (1) month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Director Options will be issued on one date;
- The Director Options are being issued for \$Nil consideration and as such no funds are being raised by the issue of the Director Options. If any Director Options are exercised, the intended use of funds shall be for general working capital requirements.

(v) Directors' Recommendation

As noted above, because each Director has a material personal interest in the proposed issue of Director Options, the Board has been unable to form a quorum to determine whether the exceptions to section 208 of the Corporations Act applies. The Directors accordingly exercise their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

On this basis, none of the Directors make any recommendation in relation to Resolutions 6 to 10 (inclusive).

2.8 Resolution 11 – Approval of 10% Placement Facility under Listing Rule 7.1A

2.8.1 General

Listing Rule 7.1A enables an eligible entity to seek Shareholder approval at its Annual General Meeting to allow it to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% Placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$12.6 million.

The Company is again seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The approval obtained at last year's Annual General Meeting is due to expire on 16 October 2014.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has two classes of Equity Securities on issue, being the Shares (ASX Code: SRZ) and unlisted Options (ASX Code: SRZAI). The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 2.8.2 below).

2.8.2 Description of Listing Rule 7.1A

2.8.2.1 Shareholder Approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an Annual General Meeting.

2.8.2.2 Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of this Notice of Meeting, has on issue one class of Equity Securities, being shares.

2.8.2.3 Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that an eligible entity which has obtained Shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of equity securities calculated in accordance with the following formula:

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

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

- plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid shares that became fully paid in the 12 months;
- plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without Shareholder approval;
- less the number of fully paid shares cancelled in the 12 months.

Note, that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

2.8.2.4 Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice of Meeting, the Company has on issue 300,227,775 shares and therefore has a capacity to issue:

- 45,034,166 Equity Securities under Listing Rule 7.1; and
- under Resolution 11, subject to Shareholder approval being sought, 30,022,778 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 2.8.2.3 above).

2.8.2.5 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- (A) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- (B) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

or such longer period if allowed by ASX (**10% Placement Period**).

2.8.3 Listing Rule 7.1A

The effect of Resolution 11 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 11 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

2.8.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

(a) Minimum Issue Price

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(b) Risk of voting dilution

If Resolution 11 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date Shareholders provide their approval at the Annual General Meeting; and

- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

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

The Table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The Table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue to all Shareholders) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' Meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Number of Shares on issue (Variable A in Listing Rule 7.1A.2)		Dilution		
		\$0.021 50% decrease in Issue Price	\$0.042 Issue Price	\$0.084 100% increase in Issue Price
Current Variable A 300,227,775 Shares	Shares issued - 10% Voting Dilution	30,022,778 Shares	30,022,778 Shares	30,022,778 Shares
	Funds raised	\$630,478	\$1,260,957	\$2,521,913
50% increase in current Variable A 450,341,663 Shares	Shares issued - 10% Voting Dilution	45,034,166 Shares	45,034,166 Shares	45,034,166 Shares
	Funds raised	\$945,717	\$1,891,435	\$3,782,870
100% increase in current Variable A 600,455,550 Shares	Shares issued - 10% Voting Dilution	60,045,555 Shares	60,045,555 Shares	60,045,555 Shares
	Funds raised	\$1,260,957	\$2,521,913	\$5,043,827

* The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The Table has been prepared on the following assumptions:

1. There are currently 300,227,775 Shares on issue.
2. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
3. None of the 25,000,000 unlisted options that the Company currently has on issue are exercised into Shares before the date of the issue of the Equity Securities.
4. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
5. The Table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
6. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
7. The Table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% Placement capacity under Listing Rule 7.1.
8. The issue price is \$0.042, being the closing price of the Shares on ASX on 3 October 2014.

9. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

(c) Date of issue

The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 11 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

(d) Purpose of issue under 10% Placement Facility

The Company may seek to issue the Equity Securities for the following purposes:

- (i) cash consideration. In such circumstances, the Company intends to use the funds raised to advance its wholly owned Heemskirk Tin Project near Zeehan in north west Tasmania, keeping the Company's other mining tenements in good standing to the extent that third parties are not responsible for doing so under farm-in or joint venture agreements and/or to provide general working capital.
- (ii) non-cash consideration. Whilst the Company is not currently seeking to acquire new resource assets or investments, an asset may become available for acquisition in exchange for shares. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

(e) Allocation policy under the 10% Placement Facility

The Company's allocation policy will depend on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.

The identity of the allottees of Equity Securities will be determined on a case-by-case basis at the time of issue having regard to factors including, but not limited to, the following:

- (i) the purpose of the issue;
- (ii) the methods of raising funds that are available to the Company, including but not limited to, a rights issue or other issue in which existing Shareholders can participate;
- (iii) the effect the issue of the Equity Securities might have on the control of the Company;
- (iv) the circumstances of the Company, including the financial situation and solvency of the Company; and
- (v) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

If the Company were to acquire an asset or investment in exchange for Shares, it is likely that the allottee under the 10% Placement Facility would be the vendor of the asset or investment.

(f) Previous approval under Listing Rule 7.1A

Shareholder approval was sought and obtained under Listing Rule 7.1A at last year's Annual General Meeting held on 16 October 2013. The Company has issued 53,742,933 Shares and 25,000,000 unlisted Options since 16 October 2013.

During the 12 month period preceding the date of this Notice, being on and from 17 November 2013, the Company also issued a further 23,037,295 Shares pursuant to an entitlements issue. Combining this number of Shares with the total number of Shares issued under the previous Listing Rule 7.1A approval, the total number of Shares issued since 17 November 2013 represents approximately 34.36% of the total diluted number of Equity Securities on issue in the Company on 17 November 2013, which was 223,447,547 Shares.

Details of the number of issues of all equity securities made in the previous 12 months is set out below.

(g) Voting exclusion statement

A voting exclusion statement is included in section 2 of the Notice of Meeting. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

The Directors recommend that you vote in favour of this Resolution.

ADDITIONAL DISCLOSURE UNDER ASX LISTING RULE 7.3A

See below details of issues of all Equity Securities made in the previous 12 months:

Date of issue: 17 January 2014
Number issued: 50,000,000
Type of equity security: Shares
Recipient of securities: Capetown S. A.
Price: \$0.052 per Share
Discount to Market Price: \$Nil
Consideration received: \$2,600,000
Intended use of cash: To optimise the "Heemskirk Tin Project" and for general working capital purposes.

Date of issue: 21 January 2014
Number issued: 3,000,000
Type of equity security: Shares
Recipient of securities: Citicorp Nominees Pty Ltd
Price: \$Nil - Shares issued as commission. The total value of the Shares issued, based on the closing price of Shares (\$0.042) as the context requires on the trading day prior to the date of this Notice, is \$126,000.
Discount to Market Price: \$Nil
Consideration received: Shares issued as commission payable at rate of 6% of the \$2.6 million of funds received and 6% of the 50.0 million ordinary shares issued on 17 January 2014.

Date of issue: 26 February 2014
Number issued: 25,000,000
Type of equity security: Unlisted Options exercisable at \$0.08 and expiring on 26 February 2017.
Recipient of securities: Capetown S. A.
Price: \$Nil – free-attaching Options. The total value of the Options issued, measured using the Black Scholes option pricing method, is \$497,426. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).
Discount to Market Price: \$Nil
Consideration received: \$Nil
Use of cash: These Options were issued as free-attaching Options pursuant to the subscription agreement entered into between the Company and Capetown S. A, as announced on 17 January 2014.

Date of issue: 2 April 2014
Number issued: 23,037,295
Type of equity security: Shares
Recipient of securities: Various applicants under the non-renounceable entitlement offer.
Price: \$0.052 per Share
Discount to Market Price: \$Nil
Consideration received: \$1,197,943
Intended use of cash: To optimise the drilling program at the "Heemskirk Tin Project", drilling the satellite St Dizier tin prospect and working capital requirements.

Date of issue:	3 April 2014
Number issued:	742,933
Type of equity security:	Shares
Recipient of securities:	Citicorp Nominees Pty Ltd
Price:	\$Nil – Shares issued as commission. The total value of the Shares issued, based on the closing price of Shares (\$0.042) as the context requires on the trading day prior to the date of this Notice, is \$31,203.
Discount to Market Price:	\$Nil
Consideration received:	Shares issued as commission payable at a rate of 6% of 12.3 million ordinary shares allotted on 31 March 2014 and issued on 2 April 2014.

For the purposes of this section, the discount to Market Price is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.

4. OTHER SOURCES OF INFORMATION

You may wish to review information available from the following sources in deciding whether or not to attend and vote at the Annual General Meeting or to vote in favour of or against any of the Resolutions.

Stellar is a 'disclosing entity' for the purposes of the Corporations Act and as such is subject to periodic reporting and continuous disclosure obligations. Specifically, as an entity listed with ASX, Stellar is subject to the Listing Rules which require continuous disclosure of any information which Stellar has concerning itself that a reasonable person would expect to have a material effect on the price or value of shares.

Copies of announcements made by the Company on ASX are available from the ASX website: www.asx.com.au

In addition, Stellar is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Stellar may be obtained from, or inspected at, ASIC offices.

Additional information regarding Stellar is available on Stellar's website: www.stellarresources.com.au

5. INTERPRETATION

In this Notice of Meeting:

10% Placement Facility has the meaning given in section 2.12.1;

10% Placement Period has the meaning given in section 2.12.2.6;

Annual Report means the Company's annual report for the financial year ended 30 June 2014;

ASIC means the Australian Securities and Investments Commission;

ASX means ASX Limited ACN 008 624 691;

Board means the board of Directors of the Company;

Company or **Stellar** means Stellar Resources Limited ABN 96 108 758 961;

Corporations Act means Corporations Act 2001 (Cth);

Director means a Director of the Company;

Director Options means the 17,500,000 options to subscribe for Shares to be issued to the Directors, subject to the passing of Resolutions 6, 7, 8, 9 and 10;

Equity Securities has the same meaning as in the Listing Rules;

Explanatory Statement or **Statement** means the explanatory statement accompanying and forming part of the Notice;

Listing Rules means the listing rules of ASX;

Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises).

Meeting means the annual general meeting convened by this Notice of Meeting;

Notice or **Notice of Meeting** means this notice of annual general meeting and Explanatory Statement;

Official List means the official list of ASX.

Registry means Boardroom Pty Limited of Level 7, 207 Kent Street, Sydney, NSW 2000;

Remuneration Report means the remuneration report for the year ended 30 June 2014;

Resolutions means the ten ordinary resolutions and one special resolution contained in the Notice of Meeting;

Shareholder means a holder of a Share;

Share means a fully paid ordinary share in the capital of the Company;

Share Registry means the Company's share registry, which as at the date of this Notice is Boardroom Pty Limited;

Stellar or **Company** means Stellar Resources Limited ABN 96 108 758 961;

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

VWAP means volume weighted average price.

6. QUERIES

If you have any queries about the Meeting, the Resolutions to be put to the Meeting or the proposals being considered, please contact the Company Secretary, Ms Christina Kemp, on (03) 9618 2540.

SCHEDULE 1 TERMS OF DIRECTOR OPTIONS

A summary of the material terms of the Director Options is set out below:

- (a) The securities to be issued to each option holder are options to subscribe for fully paid Shares.
- (b) The Director Options are to be issued for no consideration.
- (c) The exercise price of each Director Option is \$0.06, \$0.08, \$0.10 and \$0.12 (Exercise Prices).
- (d) The Director Options will vest immediately and will expire and be forfeited on the earlier of (Expiry Date) 20 November 2019; and
 - (i) 3 months after the relevant Director ceases to be a Director of the Company.
- (e) Shares issued on exercise of the Director Options will rank pari passu with all existing Shares from the date of issue.
- (f) The Director Options may be exercised wholly or in part by notice in writing to the Company received at any time on or prior to the Expiry Date together with a cheque for the Exercise Price multiplied by the number of Director Options to which the notice relates.
- (g) The Director Options will be unlisted but will be transferable.
- (h) Upon allotment of Shares pursuant to the exercise of Director Options, the Company shall use its best endeavours to have such Shares quoted and listed on the Official List of ASX.
- (i) Director Option holders do not have any right to participate in new issues of securities of the Company made to Shareholders generally. The Company will, where required by the Listing Rules, provide Director Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to Shareholders generally) to exercise the Director Options, in accordance with the requirements of the Listing Rules.
- (j) Director Option holders do not participate in dividends or in bonus issues unless the Director Options are exercised and the resultant Shares are issued prior to the record date to determine entitlements to the dividend or bonus issue.
- (k) In the event of a reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - (i) the number of Director Options, the Exercise Price, or both will be reconstructed (as appropriate) in a manner consistent with the Listing Rules, but with the intention that such reconstruction will not result in any benefits being conferred on the Director Option holder which are not conferred on Shareholders; and
 - (ii) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders of the Company approving a reconstruction of capital, in all other respects the terms for the exercise of the Director Options will remain unchanged.
- (l) If there is a bonus issue to the holders of Shares, the number of Shares over which a Director Option is exercisable will be increased by the number of Shares which the Director Option holder would have received if the Director Options had been exercised before the record date for the bonus issue.
- (m) If, during the life of any Director Option, there is a pro rata issue (except a bonus issue), the Exercise Price of a Director Option may be reduced in accordance with the following formula:

$$O^1 = O - \frac{E [P - (S + D)]}{N + 1}$$

Where

O^1 = the new exercise price of the Director Option

O = the old exercise price of the Director Option

E = the number of underlying securities into which one Director Option is exercisable

P = the average market price per security (weighted by reference to volume) of the underlying securities during the five (5) trading days ending on the day before the ex rights date or the ex entitlements date

S = the subscription price for a security under the pro rata issue

D = the dividend due but not yet paid on existing underlying securities (except those to be issued under the pro rata issue)

N = the number of securities with rights or entitlements that must be held to receive a right to one new security

- (n) The terms of the Director Options shall only be changed if holders (whose votes are not to be disregarded) of Shares approve such change. However, the terms of the Director Options shall not be changed to reduce the Exercise Price, increase the number of Director Options or change any period for exercise of the Options.

SCHEDULE 2 VALUATION OF DIRECTOR OPTIONS

The Director Options will not be quoted on the ASX and as such will have no market value. The Director Options each grant the holder a right to subscribe for one Share upon exercise of the Director Option and payment of the Exercise Price. Accordingly, the Director Options may have a present value at the date of their issue.

The Director Options may acquire future value dependent upon the extent to which the market value of the Shares exceeds the Exercise Price during the term of the Director Options.

As a general proposition, options to subscribe for ordinary fully paid shares in a company have value. Various factors impact upon the value of options including things such as:

- the period outstanding before the expiry date of the options;
- the exercise price of the options relative to the underlying price or value of the securities into which they may be converted;
- the proportion of the issued capital as expanded consequent upon exercise represented by the shares issued upon exercise (i.e. whether or not the shares that might be acquired upon exercise of the options represent a controlling or other significant interest);
- the value of the shares into which the options may be converted; and
- whether or not the options are listed (i.e. readily capable of being liquidated),

and so on.

The method used to value the Director Options was the Black Scholes valuation model, which is considered the most relevant method for pricing these Director Options. A breakdown of the valuation is set out below.

On this basis, the respective values of the Director Options to be issued pursuant to Resolutions 6, 7, 8, 9 and 10 are as follows:

- Mr P. G. Harman or his nominee – \$159,385
- Dr T. H. Whiting or his nominee – \$79,742
- Dr M. Elsasser or his nominee - \$79,742
- Mr M. Lopez de Letona or his nominee - \$79,742
- Mr P. G. Blight or his nominee – \$159,385

being 3.0 cents per option employing the following additional inputs:

Option Life	5 years
Share price volatility	111%
Risk free interest rate	2.93%
Dividend yield	0%

Market Price Movement

The Director Option valuation noted above assumes a market price of the Shares on the date of issue of the Director Options of \$0.045 per Share, being the most recent market price of the Shares prior to the date of this Explanatory Statement. There is however a possibility that the market price of the Shares on the date of issue of the Director Options will be different from this and that the market price of the Shares will change up to the date of the Annual General Meeting to approve the issue.

VALUATION BREAKDOWN

The options to be issued to Mr P. G. Harman, Dr T. H. Whiting, Dr M. Elsasser, Mr M. Lopez de Letona and Mr P. G. Blight pursuant to resolutions 6 - 10 respectively have been valued using a Black Scholes pricing model and based on the following assumptions:

- (a) the options are granted on 18 November 2014, being the date after the date of Meeting;
- (b) an underlying share price at the date of grant of 4.5 cents, being the closing price of the Company's shares on the last trading date prior to conducting the valuation;
- (c) the following exercise prices and expiry date, in respect to Mr P. G. Harman and Mr P. G. Blight:
 - 500,000 options each, an exercise price of 6.0 cents expiring on 20 November 2019;
 - 1,000,000 options each, an exercise price of 8.0 cents expiring on 20 November 2019;
 - 1,500,000 options each, an exercise price of 10.0 cents expiring on 20 November 2019; and
 - 2,000,000 options each, an exercise price of 12.0 cents expiring on 20 November 2019.
- (d) the following exercise prices and expiry date, in respect to Dr T. H. Whiting, Dr M. Elsasser and Mr M. Lopez de Letona:
 - 250,000 options each, an exercise price of 6.0 cents expiring on 20 November 2019;
 - 500,000 options each, an exercise price of 8.0 cents expiring on 20 November 2019;
 - 750,000 options each, an exercise price of 10.0 cents expiring on 20 November 2019; and
 - 1,000,000 options each, an exercise price of 12.0 cents expiring on 20 November 2019.
- (e) the future expected volatility of the share price of 110.56% (which has been based on historical trading volatilities of the Company's shares on a daily basis over 5 years);
- (f) risk free rate of 2.93% in respect of each tranche of options (determined by reference to the RBA quoted Government Bonds as at valuation date);
- (g) all options will vest immediately upon issue;
- (h) all options issued are not expected to be forfeited or become non-exercisable;
- (i) the Company does not pay a dividend, make a capital return or experience any other dilutionary events (such as a bonus issue or rights issue); and
- (j) all other terms and conditions as outlined in Valuation of Director options and the Explanatory Statement.

The valuation date of options is 17 September 2014.

Based on the above and notes to the notes to the Explanatory Statement, the options have been valued as follows:

Recipient	Number of Options	Value per Option	Value
Mr P.G. Harman	500,000	0.03 cents	\$17,277
	1,000,000	0.03 cents	\$33,033
	1,500,000	0.03 cents	\$47,666
	2,000,000	0.03 cents	\$61,409
Total			\$159,385
Dr T. H. Whiting	250,000	0.03 cents	\$8,638
	500,000	0.03 cents	\$16,517
	750,000	0.03 cents	\$23,883
	1,000,000	0.03 cents	\$30,704
Total			\$79,742
Dr M. Elsasser	250,000	0.03 cents	\$8,638
	500,000	0.03 cents	\$16,517
	750,000	0.03 cents	\$23,883
	1,000,000	0.03 cents	\$30,704
Total			\$79,742

Recipient	Number of Options	Value per Option	Value
Mr M. Lopez de Letona	250,000	0.03 cents	\$8,638
	500,000	0.03 cents	\$16,517
	750,000	0.03 cents	\$23,883
	1,000,000	0.03 cents	\$30,704
Total			\$79,742
Mr P. G. Blight	500,000	0.03 cents	\$17,277
	1,000,000	0.03 cents	\$33,033
	1,500,000	0.03 cents	\$47,666
	2,000,000	0.03 cents	\$61,409
Total			\$159,385



All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

Level 7, 207 Kent Street,
Sydney NSW 2000 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:30am AEDT on Saturday 15 November 2014.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT www.votingonline.com.au/stellaragm2014
- STEP 2: Enter your holding/investment type:
- STEP 3: Enter your Reference Number:
- STEP 4: Enter your VAC:

PLEASE NOTE: For security reasons it is important you keep the above information confidential.

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

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

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:30am AEDT on Saturday 15 November 2014.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** www.votingonline.com.au/stellaragm2014

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Level 7, 207 Kent Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address
 This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Stellar Resources Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **Flinders Room, Christie Conference Centre, Lower Ground Floor, 454 Collins Street, Melbourne Victoria 3000 on Monday, 17 November 2014 at 10:30am AEDT** and at any adjournment of that meeting, to act 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.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1,6,7,8,9 and 10 I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these resolutions even though Resolutions 1,6,7,8,9 and 10 is connected with the remuneration of a member of key management personnel for Stellar Resources Limited.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1, 6,7,8,9 and 10). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

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

Ordinary Resolutions	FOR	AGAINST	ABSTAIN*		FOR	AGAINST	ABSTAIN*
Res 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 7 Issue of Options to Dr T. H. Whiting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 2 Re-election of Director – Mr Miguel Lopez de Letona	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 8 Issue of Options to Dr M. Elsasser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3 Re-election of Director – Dr Thomas H Whiting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 9 Issue of Options to Mr M. Lopez de Letona	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 4 Ratification of Prior Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 10 Issue of Options to Mr P. G Blight	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 5 Exemption of Issue of Securities Under Scheme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 11 Special Resolution Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 6 Issue of Options to Mr P. G. Harman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

STEP 3 SIGNATURE OF SHAREHOLDERS
 This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1 <div style="border: 1px solid black; height: 28px; margin: 5px 0;"></div> Sole Director and Sole Company Secretary	Securityholder 2 <div style="border: 1px solid black; height: 28px; margin: 5px 0;"></div> Director	Securityholder 3 <div style="border: 1px solid black; height: 28px; margin: 5px 0;"></div> Director / Company Secretary
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Contact Name..... Contact Daytime Telephone..... Date / / 2014