

# MOUNT BURGESS MINING N.L.

ACN: 009 067 476

## NOTICE OF ANNUAL GENERAL MEETING

The 2011 Annual General Meeting of Mount Burgess Mining N.L. will be held in the Marri Room, Holiday Inn City Centre, 778 Hay Street, Perth, Western Australia on Thursday 24 November 2011 commencing at 10.30 am

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### AGENDA

#### BUSINESS

An Explanatory Statement containing information in relation to each of the following Resolutions accompanies this Notice of Annual General Meeting

#### GENERAL BUSINESS

##### Financial Report for the Year Ended 30 June 2011

To receive and consider the financial report and the Reports of the Directors and Auditor of the Company for the year ended 30 June 2011.

#### ORDINARY RESOLUTIONS

##### 1 - Adoption of Remuneration Report

“That, for the purpose 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 2011.”

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

**Voting Prohibition Statement:** A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of 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 vote on this Resolution if:
- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (d) the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

**The laws that apply to voting on resolutions relating the remuneration of key management personnel have changed. Important details regarding the appointment of proxies for this Resolution are contained in the Explanatory Statement and the Proxy Form. If you are appointing a proxy, to ensure that your vote counts please very carefully read all the documents and follow the instructions on the Proxy Form**

## **2 - Re-election of Directors – Mr G E Taylor**

“That, for all purposes, Godfrey Edward Taylor, who retires by rotation in accordance with Clause 13.3 of the Company’s Constitution, being eligible and offering himself for re-election, is re-elected a Director of the Company.”

## **3 - Issue of Shares to a Director in lieu of Unpaid Directors’ Fees – Mr A P Stirling**

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

“That, for the purposes of Section 208 of the Corporations Act 2001 and Australian Securities Exchange (ASX) Listing Rule 10.11 and for all other purposes, approval is given for the issue up to the equivalent of \$24,000 in ordinary fully paid shares, in lieu of unpaid Directors’ Fees for the period 1 July 2010 to 30 June 2011 to Mr A P Stirling, a non-executive director of the Company or his nominees(s) on the terms and conditions which are set out in the Explanatory Notice accompanying this Notice of Meeting.”

(The Company will disregard any votes cast on Resolution 3 by Mr A P Stirling and by an associate of Mr Stirling, as provided for in ASX Listing Rules 10.11 and 14.11. However the Company need not disregard any vote by any such persons on Resolutions 3 if: it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person who is 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.)

## **4 - Issue of Shares to a Director in lieu of Unpaid Directors’ Fees – Mr R W O’Regan**

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

“That, for the purposes of Section 208 of the Corporations Act 2001 and Australian Securities Exchange (ASX) Listing Rule 10.11 and for all other purposes, approval is given for the issue up to the equivalent of \$24,000 in ordinary fully paid shares, in lieu unpaid of Directors’ Fees for the period 1 July 2010 to 30 June 2011 to Mr R W O’Regan, a non-executive director of the Company or his nominees(s) on the terms and conditions which are set out in the Explanatory Notice accompanying this Notice of Meeting.”

(The Company will disregard any votes cast on Resolution 4 by Mr R W O’Regan and by an associate of Mr O’Regan, as provided for in ASX Listing Rules 10.11 and 14.11. However the Company need not disregard any vote by any such persons on Resolutions 4 if: it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person who is 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.)

## **5 - Issue of Shares to a Director in lieu of Unpaid Directors’ Fees – Mr G E Taylor**

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

“That, for the purposes of Section 208 of the Corporations Act 2001 and Australian Securities Exchange (ASX) Listing Rule 10.11 and for all other purposes, approval is given for the issue up to the equivalent of \$24,000 in ordinary fully paid shares, in lieu of unpaid Directors’ Fees for the period 1 July 2010 to 30 June 2011 to Mr G E Taylor, a non-executive director of the Company or his nominees(s) on the terms and conditions which are set out in the Explanatory Notice accompanying this Notice of Meeting.”

(The Company will disregard any votes cast on Resolution 5 by Mr G E Taylor and by an associate of Mr Taylor, as provided for in ASX Listing Rules 10.11 and 14.11. However the Company need not disregard any vote by any such persons on Resolutions 5 if: it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person who is 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.)

## **6 - Issue of Shares to a Director in lieu of Unpaid Directors' Fees – Mr B M Mosigi**

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

“That, for the purposes of Section 208 of the Corporations Act 2001 and Australian Securities Exchange (ASX) Listing Rule 10.11 and for all other purposes, approval is given for the issue up to the equivalent of \$12,000 in ordinary fully paid shares, in lieu of that portion of unpaid Director's fees for the period 1 July 2010 to 30 June 2011 to Mr B M Mosigi, Director of the Company or his nominees(s) on the terms and conditions which are set out in the Explanatory Notice accompanying this Notice of Meeting.”

(The Company will disregard any votes cast on Resolution 6 by Mr B M Mosigi and by an associate of Mr Mosigi, as provided for in ASX Listing Rules 10.11 and 14.11. However the Company need not disregard any vote by any such persons on Resolutions 6 if: it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person who is 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.)

## **7 - Issue of Shares to a Director for salary sacrifice – Mr N R Forrester**

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

“That, for the purposes of Section 208 of the Corporations Act 2001 and Australian Securities Exchange (ASX) Listing Rule 10.11 and for all other purposes, approval is given for the issue up to the equivalent of \$24,000 in ordinary fully paid shares to Mr N R Forrester, Chairman and Managing Director of the Company, or his nominee(s) on the terms and conditions which are set out in the Explanatory Notice accompanying this Notice of Meeting. The fully paid shares proposed to be issued are in lieu of sacrificing a salary increase, agreed by the Board in November 2008, which was to be effective December 2008, and cover the period from 1 July 2010 to 30 June 2011.”

(The Company will disregard any votes cast on Resolution 7 by Mr N R Forrester and by an associate of Mr Forrester, as provided for in ASX Listing Rules 10.11 and 14.11. However the Company need not disregard any vote by any such persons on Resolutions 7 if: it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person who is 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.)

## **Electronic Annual Report**

Shareholders are advised that the Company's 2011 Annual Report is now available in pdf format to view/download at <http://www.mountburgess.com>

## **Explanatory Statement**

The accompanying Explanatory Statement forms part of this Notice of General Meeting and should be read in conjunction with it.

## **Proxies**

Please note that:

- (a) a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and

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

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, a certificate of appointment of corporate representative should be completed and lodged in the manner specified below.

The Proxy Form (and any Power of Attorney under which it is signed) must be sent or delivered, or sent by facsimile to either the Company's Registered Office - Level 4, 109 St Georges Terrace, Perth, Western Australia, 6000 (Facsimile: + 61 8 9322 4607), or the offices of Advanced Share Registry Services - 150 Stirling Highway, Nedlands, Western Australia 6009. Please note that all Proxy Forms must be received at either of the above addresses not later than 48 hours before the commencement of the meeting i.e. 10.30 am. on 22 November 2011 WST. Any Proxy Form received after that time will not be valid for the scheduled meeting.

### **Entitlement to vote**

The Board has determined that for the purpose of determining entitlements to attend and vote at the meeting, shares will be taken to be held by the persons who are the registered holders at 10.30 a.m. (WST) on 22 November 2011. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

### **Corporate Representative**

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Annual General Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the General Meeting or handed in at the General Meeting when registering as a corporate representative.

By Order of the Board of Directors

A handwritten signature in black ink that reads "Jan Fowles". The signature is written in a cursive style with a horizontal line underneath the name.

**Company Secretary**  
Mount Burgess Mining N.L.

20 October 2011

# EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's 2011 Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting. This Explanatory Statement is intended to be read in conjunction with the Notice of Meeting.

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2011 together with the declaration of the Directors, the Directors' report, the remuneration report and the auditor's report.

As a Shareholder you are entitled to submit one written question to the auditor prior to the Annual General Meeting provided that the question relates to:

- The content of the auditor's report; or
- The conduct of the audit in relation to the financial report

All written questions must be sent to the Company and may not be sent direct to the auditor. The Company will then forward all questions to the auditor.

The auditor will be attending the Annual General Meeting and will be available to answer questions from Shareholders relevant to:

- 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; and
- The independence of the auditor in relation to the conduct of the audit.

The auditor will also answer written questions submitted prior to the Annual General Meeting.

The Company does not provide a hard copy of the Company's annual financial report unless specifically requested to do so. Shareholders may view the Company annual financial report on its website at [www.mountburgess.com](http://www.mountburgess.com).

By Resolution 1 the Company is seeking shareholders to vote on an advisory resolution that the Remuneration Report be adopted. Further detailed information is provided under Item 1 of this Explanatory Statement.

By Resolution 2 the Company is seeking shareholder approval for the re-election of a director. More details are provided under Item 2 of this Explanatory Statement.

By Resolutions 3, 4, 5, 6 and 7 the Company is proposing to issue shares to Directors of the Company namely Messrs Stirling, O'Regan, Taylor, Mosigi and Forrester and is seeking approval from members as required by Section 208 of the Corporations Act and Listing Rule 10.11 and Exception 4 of Listing Rule 10.12. Further detailed information is provided in Item 3 of this Explanatory Statement.

## 1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

### 1.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company. Under recent changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on the Resolution are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2012 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the Company's 2012 annual general meeting. All of the Directors who were in office when the resolution to make the Company's 2012 Directors' report considered at the Company's 2012 annual general meeting was passed, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2011. A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

### 1.2 Voting Restrictions where Proxy is Chairman or Key Management Personnel

Pursuant to the Corporations Act, if you appoint the Chairman or a member of Key Management Personnel or any Closely Related Party as your proxy to vote on this Resolution, **you must direct that proxy how they are to vote**. Where you do not direct the Chairman, a member of Key Management Personnel or Closely Related Party on how to vote on this Resolution, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to Resolution 1.

### 1.3 Definitions

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2011.

The Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report.

## 2. RESOLUTION 2 – RE-ELECTION OF DIRECTORS

In accordance with Listing Rule 14.4 and the Company's Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office by rotation and are eligible for re-election. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

Mr Godfrey Taylor retires by rotation at this meeting and, being eligible, offers himself for re-election.

A profile of Mr Taylor is outlined below:

### **Godfrey Taylor Non-Executive Director**

Non-executive Director, aged 63, Practising Solicitor joined the Board in 1999. Mr Taylor, graduated in law from the University of Western Australia in 1968 and was admitted to practice in 1970. He has been practising law for more than thirty years and specialises in commercial and corporate law. Mr Taylor and his family were original shareholders in the Company and have been shareholders throughout its existence.

The Board (other than Mr Taylor) recommends that Shareholders support the resolution re-electing Mr Taylor as a director of the Company.

## 3. RESOLUTIONS 3, 4, 5, 6 AND 7 - ISSUE OF SHARES TO DIRECTORS IN LIEU OF UNPAID DIRECTORS' FEES OR SALARY SACRIFICE

### 3.1 General

The Company has agreed, subject to obtaining Shareholder approval, to allot and issue a total of \$108,000 worth of fully paid ordinary shares in the capital of the Company (**Shares**) to the related parties as follows:

Resolution 3	Mr A P Stirling	\$24,000
Resolution 4	Mr R W O'Regan	\$24,000
Resolution 5	Mr G E Taylor	\$24,000
Resolution 6	Mr B M Mosigi	\$12,000
Resolution 7	Mr N R Forrester	\$24,000

on the terms and conditions set out below.

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies. Listing Rule 10.13.3 requires the shares to be issued within one month after the date of approval by shareholders in general meeting.

The issue of the Shares to the Related Parties requires the Company to obtain Shareholder approval because the grant of Director Shares constitutes giving a financial benefit and as Directors, Messrs Stirling, O'Regan, Taylor, Mosigi and Forrester are related parties of the Company. It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 may not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Shares to the Related Parties.

### 3.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Shares:

- (a) the related parties are Messrs Stirling, O'Regan, Taylor, Mosigi and Forrester and they are related parties by virtue of being Directors;
- (b) the maximum number of Shares (being the nature of the financial benefit being provided) to be issued under this approval to the Related Parties is:
  - (i) \$24,000 worth of fully paid ordinary shares to Mr A P Stirling;
  - (ii) \$24,000 worth of fully paid ordinary shares to Mr R W O'Regan;
  - (iii) \$24,000 worth of fully paid ordinary shares to Mr G E Taylor;
  - (iv) \$12,000 worth of fully paid shares to Mr B M Mosigi
  - (v) \$24,000 worth of fully paid shares to Mr N R Forrester

The fully paid shares would be issued at the volume weighted average price ("VWAP") of the shares in the five ASX trading days prior to issue.

As an example, between 1–31 August 2011 Mount Burgess shares have traded in a range of 0.7 cents to 1.2 cents. Therefore if the Mount Burgess share price (VWAP) was 0.7 cents per share then 3,428,571 shares would be issued to each of Messrs Stirling, O'Regan, Taylor and Forrester and 1,714,285 shares would be issued to Mr Mosigi. If the Mount Burgess share price (VWAP) was the higher figure of 1.2 cents, then 2,000,000 shares would be issued to each of Messrs Stirling, O'Regan, Taylor and Forrester and 1,000,000 shares would be issued to Mr Mosigi.

- (c) the Shares will be issued to the Related Parties no later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date;
- (d) the Shares are being issued to the Directors in lieu of their directors fees and salary sacrifice for the 2010-2011 financial year. As such the Shares will be granted for nil cash consideration, and no funds will be raised;
- (e) the shares issued will be fully paid ordinary shares in the capital of the Company and on the same terms as the Company's existing shares;
- (f) the relevant interests of the Related Parties in securities of the Company are set out below:

The proposed grantees' current shareholdings/option holdings in the Company **including any associate** are listed below.

#### **Fully Paid Ordinary Shares**

Ronald William O'Regan	7,773,530
Godfrey Edward Taylor	4,835,574
Alfred P Stirling	22,443,530
Nigel Raymond Forrester	13,338,522
Ben Mosigi	1,000,000



### **Unlisted/Unquoted Employee Share Options**

Ronald William O'Regan	2,000,000
Godfrey Edward Taylor	2,000,000
Alfred P Stirling	2,000,000
Benjamin Mosigi	2,000,000
Nigel Raymond Forrester	2,000,000

*The above options are exercisable at 5 cents each and expire on 31 December 2015*

- (g) the remuneration from the Company to the Related Parties for the financial year 2010 -2011 is set out below

<b>Related Party</b>	<b>Approved Annual Fees/Salary</b>	<b>Paid 2010/2011 Financial Year</b>	<b>Approval sought in shares</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Mr A P Stirling	24,000	NIL	24,000
Mr R W O'Regan	24,000	NIL	24,000
Mr G E Taylor	24,000	NIL	24,000
Mr B M Mosigi	24,000 commencing 1/03/09	12,000	12,000
Mr N R Forrester	250,000 Commencing 1/12/08	217,125*	24,000

\*This amount is made up of salary of \$187,380 and includes provision for annual leave; non-monetary parking benefits plus fbt \$17,540 superannuation \$15,564 and provision for long service leave \$6641.

In November 2008 the non-executive Directors of the Company resolved that due to troubled market conditions and in order to preserve the Company's funds they would until further notice not take their fees in cash. Mr Forrester, as Chairman and Managing Director of the Company did not take a salary increase as approved by the Board in November 2008.

Based on the most recent closing price of the Company's Shares on ASX, the value of the Shares to be issued to each Related Party is as follows:

Mr A P Stirling	\$24,000
Mr R W O'Regan	\$24,000
Mr G E Taylor	\$24,000
Mr B M Mosigi	\$12,000
Mr N R Forrester	\$24,000

- (h) the trading history of the Shares on ASX in the 12 months before the preparation of this Notice of Annual General Meeting is set out below:

#### **Price Date**

Highest	2.7 cents on 22 October 2010
Lowest	0.7 cents on 8 August 2011
Last	1.2 cents on 1 September 2011

- (i) As at 1 September 2011, the date of preparation of this Notice of Meeting and Explanatory statement, the Company's issued share capital stands at 424,171,937 shares. If approval is given by shareholders for the issue of shares to be granted in accordance with Resolutions 3-7 then the following would apply.

Assuming VWAP share prices in (h) above

**At 2.7 cents**

- the Company's issued shares would increase by 4,000,000
- existing shareholders' holdings would be diluted by 0.94%
- the individual directors and their associates would hold the following shares:

Director	Shares	Percentage of Issued Capital
Ronald William O'Regan	8,662,419	2.02%
Godfrey Edward Taylor	5,724,462	1.34%
Alfred Patrick Stirling	23,332,418	5.45%
Nigel Raymond Forrester	14,227,410	3.32%
Ben Mosigi	1,444,444	0.34%

**At 0.7 cents**

- the Company's issued shares would increase by 15,428,571
- existing shareholders' holdings would be diluted by 3.64%
- the individual directors and their associates would hold the following shares:

Director	Shares	Percentage of Issued Capital
Ronald William O'Regan	11,202,101	2.55%
Godfrey Edward Taylor	8,264,145	1.88%
Alfred Patrick Stirling	25,872,101	5.89%
Nigel Raymond Forrester	16,767,093	3.81%
Ben Mosigi	2,714,285	0.62%

**At 1.2 cents**

- the Company's issued shares would increase by 9,000,000
- existing shareholders' holdings would be diluted by 2.12%
- the individual directors and their associates would hold the following shares:


Director	Shares	Percentage of Issued Capital
Ronald William O'Regan	9,773,530	2.26%
Godfrey Edward Taylor	6,835,574	1.58%
Alfred Patrick Stirling	24,443,530	5.64%
Nigel Raymond Forrester	15,338,522	3.54%
Ben Mosigi	2,000,000	0.46%

- (j) the main purpose of the issue of the Shares to the Related Parties is to provide cost effective consideration to the Related Parties for their contribution to the Company in their respective roles as Directors. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Shares upon the terms proposed;
- (k) the Board acknowledges the issue of Shares to the Related Parties is contrary to Recommendation 8.2 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the grant of Shares to the Related Parties is reasonable in the circumstances, given the necessity to maintain the Company's cash reserves;

- (l) The Company will not be subject to Fringe Benefits Tax or be liable for additional taxes in the event Resolutions 3-7 are approved and the relevant shares issued.
- (m) Mr Stirling declines to make a recommendation to Shareholders in relation to Resolution 3 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 3, recommend that Shareholders vote in favour of Resolution 3. The Board, excluding Mr Stirling, is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution;
- (n) Mr O'Regan declines to make a recommendation to Shareholders in relation to Resolution 4 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 4 recommend that Shareholders vote in favour of Resolution 4. The Board, excluding Mr O'Regan is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution;
- (o) Mr Godfrey Taylor declines to make a recommendation to Shareholders in relation to Resolution 5 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 5 recommend that Shareholders vote in favour of Resolution 5. The Board, excluding Mr Taylor is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution;
- (p) Mr Mosigi declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 6 recommend that Shareholders vote in favour of Resolution 6. The Board, excluding Mr Mosigi, is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution; and
- (q) Mr Forrester declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 7 recommend that Shareholders vote in favour of Resolution 7. The Board, excluding Mr Forrester, is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

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 9322 6311

[www.mountburgess.com](http://www.mountburgess.com)

# MOUNT BURGESS MINING N.L.

A.C.N. 009 067 476

## LODGE YOUR FORM

By Mail: Company Secretary  
 C/o Advanced Share Registry Services  
 P O Box 1156  
 Nedlands, Western Australia 6909

By Fax : +61 8 9322 4607

All enquiries to: +61 8 9322 6311

## SHAREHOLDER PROXY FORM

Proxy forms will only be valid and accepted by Mount Burgess Mining N.L. if they are signed and received no later than 48 hours before the meeting, ie at 10:30 am on Tuesday 22<sup>nd</sup> November 2011.

Please read the voting instructions overleaf before marking any boxes with an

### STEP 1 APPOINTMENT OF PROXY

I/We being a member(s) of the Company and entitled to attend and vote hereby:

appoint the  
Chairman of  
the meeting  
(mark box)<sup>1</sup>

**OR** if you are **NOT** appointing the Chairman 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 here

Or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the meeting, as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 10:30 am on Thursday 24 November 2011, in the Marri Conference Room, Holiday Inn City Centre, 778 Hay Street, Perth, and at any adjournment or postponement of the meeting.

Mount Burgess Mining N L encourages you to direct your proxy how to vote on each item of business.

**i** <sup>1</sup> If the Chairman of the meeting is your proxy and you have not directed him how to vote on Resolution 1 (Remuneration Report), he will be prevented from casting your vote on this Resolution.

**In order for your votes to be counted on Resolution 1, you must direct him how to vote on this Resolution.**

### STEP 2 VOTING DIRECTIONS FOR YOUR PROXY

Please place an 'X' in the appropriate voting box below to indicate your directions.

#### Ordinary Business

		For	Against	Abstain <sup>2</sup>
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Directors – Mr G E Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Shares to a Director in lieu of unpaid Directors' Fees – Mr A P Stirling	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Shares to a Director in lieu of unpaid Directors' Fees – Mr R W O'Regan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Shares to a Director in lieu of unpaid Directors' Fees – Mr G E Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Shares to a Director in lieu of unpaid Directors' Fees – Mr B M Mosigi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of Shares to a Director for Salary Sacrifice – Mr N R Forrester	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**i** <sup>2</sup> If you mark the Abstain box for a particular item of business, your votes will not be counted in computing the required majority on a poll.

### STEP 3 SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 2 (Individual)

Director

This form should be signed by the Shareholder. If a joint holding, either Shareholder may sign. If signed by the Shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and *the Corporations Act 2001* (Cth).

## HOW TO COMPLETE THIS PROXY FORM

### Appointment of Proxy – STEP 1

If you wish to appoint the Chairman of the Meeting as your proxy, mark the appropriate box in STEP 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in the space provided in STEP 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

### Votes on Resolutions – STEP 2

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

If the chairman of the meeting or another of the Key Management Personnel of the Company or their closely related parties is your proxy, that person will not vote your shares on Resolution 1 (Remuneration Report) if you have not directed them how to vote on that item.

Key Management Personnel of Mount Burgess Mining N.L. are the Directors and those persons having authority and responsibility for planning, directing and controlling the activities of Mount Burgess Mining N.L., directly or indirectly. The Remuneration Report identifies Mount Burgess Mining N.L.'s Key Management Personnel for the financial year to 30 June 2011. Their closely related parties are defined in the Corporations Act 2001 (Cth), and include certain of their family members, dependants and companies they control.

### Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form, please write the name of that person.

To appoint a second proxy you must :

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares the proxy appointed by that form may exercise. 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.

### Signing Instructions – STEP 3

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

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

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

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

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

### Corporate Representatives

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the instructions set out in the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry.

## STEP 4 - Lodgement of your Proxy Form


This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 10:30 am WST on Tuesday 22 November 2011, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Voting Forms may be lodged as follows:

 By Mail: Company Secretary  
C/o Advanced Share Registry Services  
PO Box 1156.  
NEDLANDS WA 6909

OR to: Company Secretary  
Mount Burgess Mining N.L.  
PO Box Z5301  
PERTH WA 6831

 By Fax: +61 9322 4607

 By Hand: delivering it to Advanced Share Registry Services, 150 Stirling Highway, Nedlands, WA 6009.  
OR to: the Company's Registered Office, Level 4, 109 St Georges Terrace, Perth, WA 6000.

If you would like to attend and vote at the Annual General Meeting, please bring this form with you.  
This will assist in registering your attendance.