

**REGALPOINT RESOURCES LIMITED**

**A.C.N. 122 727 342**

**Circular to Shareholders**

Including

**NOTICE OF MEETING**

**EXPLANATORY MEMORANDUM**

**PROXY FORM**

**Date of Meeting**

28 November 2011

**Time of Meeting**

11am

**Place of Meeting**

Parmelia Hilton Hotel

14 Mill Street Perth

Western Australia

These documents should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting.

## **NOTICE OF MEETING**

Notice is hereby given that the annual general meeting of Regalpoint Resources Limited will be held at the Parmelia Hilton Hotel, 14 Mill Street Perth, Western Australia on **28 November 2011** at **11am**.

### **AGENDA**

To consider, and if thought fit to pass, the resolutions set out below as ordinary resolutions.

Information on the proposals to which those resolutions relate is contained in the explanatory memorandum which accompanies and forms part of this Notice of Meeting ('Explanatory Memorandum'). Words and expressions defined in the Explanatory Memorandum have the same meanings where used in this Notice of Meeting.

#### **ORDINARY BUSINESS – FINANCIAL STATEMENTS AND REPORTS**

To receive and consider the Annual Financial Report, the Directors' Report and Independent Auditor's Report of Regalpoint Resources Limited for the financial year ended 30 June 2011.

#### **RESOLUTION 1 – ELECTION OF NICHOLAS BURN**

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

"That Nicholas Burn, a Director appointed since the previous annual general meeting and ceasing to hold office in accordance with rule 57.2 of the Company's constitution and Listing Rule 14.4, is elected as a Director."

#### **RESOLUTION 2 – ELECTION OF IAN MURCHISON**

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

"That Mr. Ian Murchison, a Director who retires by rotation in accordance with rule 58 of the Company's constitution and Listing Rule 14.4, and, being eligible, offers himself for re-election, is re-elected as a Director."

#### **RESOLUTION 3 – THE ADOPTION OF THE REMUNERATION REPORT (NON-BINDING RESOLUTION)**

To consider and, if thought fit, to pass with or without amendment, the following resolution as a non-binding ordinary resolution:

"That, for the purpose of section 250R(2) of the *Corporations Act* 2001 and for all other purposes, the remuneration report as contained in the Company's annual report for the financial year ended 30 June 2011 be adopted."

#### **RESOLUTION 4 – RE – APPOINTMENT OF INDEPENDENT AUDITORS**

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

"That approval is given for the re-appointment of BDO (WA) Pty Ltd as the Company's auditor."

#### **RESOLUTION 5 – APPROVAL OF ISSUE OF OPTIONS TO NICHOLAS BURN**

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

"That for the purposes of Listing Rule 10.11 and for all other purposes, the Company approves the issue of 1,700,000 Options to Mr. Burn (a Director subject to Resolution 1) or his nominee(s), on the terms and conditions detailed in the Explanatory Memorandum."

#### **Voting exclusion statement:**

For the purpose of Listing Rule 10.13.6, and for all other purposes, the Company will disregard any votes cast on this Resolution 5 by Mr. Burn and any of his associates.

However, the Company will not disregard a vote if:

- a) 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
- b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By Order of the Board



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Fleur Hudson

Company Secretary

## NOTES

These notes form part of the Notice of Meeting.

### **Background information**

To assist you in deciding how to vote on the above resolutions, background information to the resolutions are set out in the Explanatory Memorandum forming part of this Notice of Meeting.

### **Recommendation**

The Board believes that the above resolutions are in the best interests of the Shareholders and (save where otherwise indicated in the Explanatory Memorandum) unanimously recommends that Shareholders vote in favour of each of them.

### **Voting entitlements**

The Directors have determined that, for the purpose of voting at the General Meeting, Shareholders eligible to vote at the General Meeting are those persons who are the registered holders of Shares at 11am (Perth time) on 26 November 2011.

### **How to vote**

You may vote by attending the General Meeting in person, by proxy, or by an authorised representative.

### **Voting in person**

To vote in person, attend the General Meeting on the date and at the place set out above. Shareholders are asked to arrive at the venue 30 minutes prior to the time designated for the meeting, if possible, so that the Company may check their shareholding against the Company's share register and note attendances.

### **Voting by proxy**

A Shareholder has the right to appoint a proxy (who need not be a Shareholder). A proxy can be an individual or a body corporate. A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body corporate may exercise as a proxy at the General Meeting. The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

If a Shareholder is entitled to cast two or more votes he may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half the votes.

To vote by proxy, the Proxy Form (together with the original of any power of attorney or other authority, if any, or certified copy of that power of attorney or other authority under which the Proxy Form is signed) must be deposited with the Company at the registered office Level 14,



As required under section 250PA of the Corporations Act, at the meeting, the Company will make available those questions directed to the auditor received in writing at least five business days prior to the General Meeting, being questions which the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the annual financial report for the financial year ended 30 June 2011. The Chairman of the meeting will allow a reasonable opportunity for the auditor to respond to the questions set out on this list.

### **Annual report**

The Company advises that a copy of its annual report for the financial year ended 30 June 2011, is available to download at the website address, [www.regalpointresources.com.au](http://www.regalpointresources.com.au).

When you access the Company's annual report on-line, you can view it and print a copy.

Please note that if you have elected to continue to receive a hard copy of the Company's annual reports, the Company's annual report for the financial year ended 30 June 2011 will accompany this Notice of Meeting or alternatively it will be mailed to you no later than 21 days before the General Meeting.

However, if you did not elect to continue to receive a hard copy of the Company's annual reports and now (or sometime in the future) you wish to receive a hard copy of the Company's annual reports, please contact Security Transfer Registrar Pty Ltd on (08) 93152333. They will be pleased to mail you a copy.

### **Enquiries**

Shareholders are invited to contact the Company Secretary, Fleur Hudson, on (08) 9424 9300 if they have any queries in respect of the matters set out in these documents.

### **By order of the board**

Date                    13 October 2011

Signed                 

Name                   Fleur Hudson  
                              Company Secretary

*The Notice of Meeting, Explanatory Memorandum and Proxy Form should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting.*

## **EXPLANATORY MEMORANDUM**

### **INTRODUCTION**

This Explanatory Memorandum is prepared for the information of Shareholders in connection with any business to be transacted at the General Meeting of the Company to be held on 28 November 2011.

At the meeting, Shareholders will be asked to consider resolutions regarding:

- election of Directors;
- adoption of the Remuneration Report;
- re-appointment of the Auditors; and
- approval of the issue of Options to Mr. Burn.

Details of these proposals are set out in the Explanatory Memorandum, which Shareholders are encouraged to read carefully.

The purpose of this Explanatory Memorandum is to provide information that the Board believes to be material to Shareholders in deciding whether or not to pass these resolutions. The Explanatory Memorandum explains the resolutions and identifies the Board's reasons for putting them to Shareholders. It should be read in conjunction with the accompanying Notice of Meeting.

### **1. Financial Statements and Reports**

Shareholders are to receive and consider the Annual Financial Report, Directors' Report and the Independent Auditor's Report of Regalpoint Resources Limited for the financial year ended 30 June 2011.

Shareholders will be given the opportunity to ask questions of the Board and the Auditors in relation to the annual report for the financial year ended 30 June 2011, at the General Meeting.

### **2. Election of Directors**

Clause 57.1 of the Company's constitution provides that the Directors may appoint any person as a Director to fill a casual vacancy or as an addition to the existing Directors. Clause 57.2 of the Company's constitution and Listing Rule 14.4 provide that a Director appointed by the Board will hold office until the next annual general meeting of the Company when the Director may then be re-elected.

Mr. Burn, having consented by notice in writing to act as a Director, was appointed by the Board as a Director on 18 January 2011 pursuant to clause 57.1 of the Company's constitution.

Clause 58 of the Company's constitution and Listing Rule 14.4 require that at each annual general meeting of the Company, one third of the Directors (to the nearest whole number) must retire from office. A retiring Director is eligible for re-election.

Subject to Resolutions 1 and 2 being passed, after the General Meeting the Board will comprise Mr Nicholas Burn, Mr Ian Murchison, Mr Simon Trevisan, Mr Robert Pett, Mr Shane Stone and Mr

Richard Lockwood. The Board considers that this board composition, including the mix of executive and non-executive Directors, provides an appropriate range of skills, knowledge, and experience.

### **2.1 Resolution 1 – Election of Nicholas Burn**

In accordance with clause 57.2 of the Company's constitution and Listing Rule 14.4, Mr. Burn, being eligible, has offered himself for re-election as a Director. A profile of Mr. Burn is contained in the Company's annual report for the financial year ended 30 June 2011.

### **2.2 Resolution 2 – Election of Ian Murchison**

In accordance with clause 58 of the Company's constitution and Listing Rule 14.4, Mr. Murchison, being eligible, has offered himself for re-election as a Director. A profile of Mr. Murchison is contained in the Company's annual report for the financial year ended 30 June 2011.

### **2.3 Directors' recommendation**

All Directors (other than Mr Burn in relation to Resolution 1 and Mr Murchison in relation to Resolution 2) recommend that Shareholders vote in favour of Resolutions 1 and 2.

## **3. Resolution 3 – Adoption of the Remuneration Report**

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. This resolution is advisory only and will not bind the Directors or the Company. The Chairman of the meeting will allow a reasonable opportunity for discussion of the remuneration report at the meeting.

The remuneration report is contained in the financial report for the year end 30 June 2011 and sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

Section 250R(4) of the Corporations Act prohibits any votes on this resolution being cast by senior executives (or their associates) whose remuneration details are disclosed in the report. This prohibition applies to undirected proxy votes to be cast by the Chairman. Therefore, if you indicate on the Proxy Form that you do not wish to specify how you want your proxy to vote on Resolution 3, you are expressly directing the Chairman to cast your votes **in favour** of Resolution 3. If you wish to appoint the Chairman as your proxy but **do not** wish for your votes to be cast **in favour** of Resolution 3, **you must indicate your voting intention by marking either 'against' or 'abstain' against Resolution 3 on the Proxy Form.**

## **4. Resolution 4 – Re-appointment of the Auditors**

On the recommendation of the Audit and Risk Committee of the Company, the Board recommends that the Shareholders re-appoint BDO (WA) Pty Ltd as the Company's auditor.

## **5. Resolution 5 – Approval of Issue of Options to Nicholas Burn**

The Company proposes to issue 1,700,000 Options to Nicholas Burn, a Director (subject to Resolution 1) or his nominee(s).

Shareholder approval for the grant of the Options the subject of Resolution 5, is sought for the purposes of Listing Rule 10.11.

The proposed grant of Options to Mr. Burn or his nominee(s) is pursuant to the terms of his employment contract entered into on 30 December 2010. Options were included in the employment contract as part of Mr. Burn's overall remuneration package, to encourage his continuing involvement in the achievement of the Company's objectives and to provide an incentive for him to strive to that end by participating in the future growth and prosperity of the Company through share ownership.

Listing Rule 10.11 provides that a company must not issue or agree to issue securities to a related party without first obtaining the approval of Shareholders by ordinary resolution. As Resolution 5 relates to the issue of securities to a Director, Shareholder approval must be obtained.

As approval of Shareholders is being sought pursuant to Listing Rule 10.11, under Listing Rule 7.2 Exception 14, approval under Listing Rule 7.1 is not required.

### **5.1 Listing Rule 10.13**

In accordance with Listing Rule 10.13, the following information is provided to Shareholders:

- a) the Options will be issued to Mr. Burn or his nominee(s);
- b) the total number of Options to be issued under Resolution 5 is 1,700,000;
- c) the Options will be issued on the terms and conditions in Annexure A;
- d) the Options will be issued as soon as practicable after the General Meeting but in any event not later than one month after the General Meeting;
- e) the Options will be granted for no cash consideration; and
- f) no funds will be raised by the issue of the Options.

### **5.2 Directors' recommendation**

Based on a recommendation of the remuneration committee in accordance with the Company's remuneration policies and Mr. Burn's employment agreement, the Board (other than Mr Burn) has determined it is appropriate to issue the Options the subject of Resolution 5 to Mr. Burn or his nominee(s) on the terms set out in this Explanatory Memorandum and, accordingly, recommends that Shareholders vote in favour of Resolution 5.

## **6. Action to be taken by Shareholders**

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on the resolution set out in the Notice of Meeting.

Attached to the Notice of Meeting is a proxy form for use by Shareholders. Shareholders are invited and encouraged to attend the General Meeting or, if unable to attend in person, to complete, sign and return the Proxy Form to the Company in accordance with the instructions contained on the Proxy Form and in the Notice of Meeting. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the General Meeting in person.

## 7. Glossary

The following terms and abbreviations used in this Explanatory Memorandum have the following meanings:

Act or Corporations Act	<i>Corporations Act 2001 (Cth)</i>
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ACN 008 624 691) trading as the Australian Securities Exchange
ASX Listing Rules or Listing Rules	The Official Listing Rules of the ASX, as amended from time-to-time
Auditors	BDO (WA) Pty Ltd
Board	The Board of Directors
Company or Regalpoint	Regalpoint Resources Limited (ACN 122 727 342)
Director	A director of the Company
General Meeting	The annual general meeting of the Company to be held on 28 November 2011
Notice of Meeting	The notice convening the General Meeting which accompanies this Explanatory Memorandum
Option	An option to acquire a Share
Proxy Form	The proxy form attached to the Notice of Meeting
Share Registrar	Security Transfer Registrars Pty Ltd
Shareholder	A registered holder of a Share
Shares or Regalpoint Shares	Fully paid ordinary shares in the Company

# Annexure A

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## Directors' Options issued to Nicholas Burn or his nominee(s)

- a) No monies will be payable for the issue of the options.
- b) The Options are granted as follows:
  - 700,000 options vest immediately and have an exercise price of \$0.20 each;
  - 500,000 options vesting on 4 January 2012 and have an exercise price of \$0.25 each; and
  - 500,000 options vesting on 4 July 2012 and have an exercise price of \$0.25 each.
- c) The options will expire on 26 May 2016 (**expiry date**) unless Mr. Burn's employment with the Company ceases prior to that date in which case the options will expire on the date which is 6 months after his employment ceases, and may be exercised at any time upon vesting and prior to the expiry date.
- d) Subject to conditions (j) and (k), each option is a right in favour of the option holder to subscribe for one Share.
- e) Options are exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the option holder to exercise all or a specified number of the options held by the option holder accompanied by a option certificate and a cheque made payable to the Company for the subscription price for the exercise of the specified options. An exercise of only some of the options will not affect the rights of the option holder to the balance of the options held by him.
- f) The Company will allot the resultant shares and deliver the holding statement within five business days after the exercise of the option.
- g) The options are not transferrable, and no application will be made to the ASX for Official Quotation of the options.
- h) There will be no participating entitlements inherent in the options to participate in new issues of capital that may be offered to shareholders during the currency of the options. Prior to any new pro-rata issue of securities to shareholders, holders of options will be notified by the Company in accordance with the requirements of the Listing Rules.
- i) In the event the Company proceeds with a pro-rata issue (except a bonus issue) of the securities to the holders of shares after the date of issue of the options, the exercise price of the options will be adjusted in accordance with a formula set out in Listing Rule 6.22.2, with such adjustment to take effect on and from the final date of allotment of the securities comprised in that issue.
- j) In the event of a bonus issue of securities, the number of shares over which the options are exercisable may be increased by the number of shares that the option holders would have received if the options had been exercised before the record date for the bonus issue.
- k) In the event of a reconstruction, including the consolidation, subdivision, reduction or return of issue capital of the Company prior to the expiry date, all rights of an option holder are to be changed in a manner consistent with the Listing Rules.

- l) There is no right to a change in the exercise price of the options or to the number of shares over which the options are exercisable in the event of a new issue of capital (other than a bonus issue or a pro rata issue) during the currency of the options.
- m) Shares allotted pursuant to an exercise of options will rank, from the date of allotment, in all respects equally with existing fully paid ordinary shares of the Company.
- n) In accordance with the Listing Rules the Company will apply for Official Quotation of all shares allotted pursuant to an exercise of options.

**PROXY FORM**

The Secretary  
Regalpoint Resources Limited  
Level 14, Parmelia House  
191 St Georges Terrace  
Perth WA 6000

I/We.....  
(Full Name – Block letters)

of .....

being a member of Regalpoint Resources Limited hereby appoint

..... to exercise ..... % or my/our voting rights  
(Name of 1st Proxy)

..... to exercise ..... % or my/our voting rights  
(Name of 2<sup>nd</sup> Proxy - optional)

or, in his or her absence, the Chairman of the meeting as my/our proxy/proxies to vote on my/our behalf at the General Meeting of the Company to be held at 11am on 28 November 2011 and at any adjournment thereof.

The Chairman of the meeting will act as your proxy if you do not appoint someone. I/We understand that if I/we have not directed how to vote, my proxy may vote or abstain from voting as he/she thinks fit.

**RESOLUTIONS**

	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
1. To subsequently appoint Nicholas Burn as a director	[ ]	[ ]	[ ]
2. To re-elect Ian Murchison as a director	[ ]	[ ]	[ ]
3. To adopt the Remuneration Report	[ ]	[ ]	[ ]
4. To re-appoint BDO (WA) as the Auditors	[ ]	[ ]	[ ]
5. To approve the issue of options to Nicholas Burn	[ ]	[ ]	[ ]

The Chairman of the meeting will act as your proxy if you do not appoint someone. It is the Chairman’s intention to exercise undirected proxies in favour of all resolutions.

If the Chairman is appointed as your proxy (whether expressly or by default) and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark here: [ ]



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