

MONTEZUMA MINING COMPANY LIMITED  
ACN 119 711 929

NOTICE OF ANNUAL GENERAL MEETING

PROXY FORM

AND

EXPLANATORY MEMORANDUM

**Date of Meeting**

26 November 2010

**Time of Meeting**

11:30 am

**Place of Meeting**

The Celtic Club  
48 Ord Street  
WEST PERTH WA 6005

*The 2010 Annual Report may be viewed on the Company's website at*  
[www.montezumamining.com.au](http://www.montezumamining.com.au)

**MONTEZUMA MINING COMPANY LIMITED**  
**ACN 119 711 929**  
**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Shareholders of Montezuma Mining Company Limited (**Company**) will be held at The Celtic Club, 48 Ord Street, West Perth WA 6005 on 26 November 2010 at 11:30 am for the purpose of transacting the following business.

**ORDINARY BUSINESS**

**2010 Financial Statements**

To receive the financial statements of the Company for the year ended 30 June 2010, consisting of the Annual Financial Report, the Directors' Report and the Auditor's Report.

**Resolution 1 - Remuneration Report**

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

*"That the Remuneration Report forming part of the Company's 2010 Annual Report be adopted."*

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

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

**Resolution 2 - Re-election of Denis O'Meara as a Director**

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

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

**Short Explanation:** Pursuant to the Company's Constitution, one-third of the Directors of the Company (other than the managing director) must retire at each Annual General Meeting and, being eligible, may offer themselves for re-election.

**Resolution 3 - Election of John Ribbons as a Director**

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

*"That John Ribbons, having been appointed a director since the previous General Meeting retires as a director of the Company in accordance with the Company's Constitution and, being eligible, having offered himself for election, be elected a director of the Company."*

**Short Explanation:** Pursuant to the Company's Constitution, directors appointed to fill a casual vacancy must retire at the next meeting of members and, being eligible, may offer themselves for election.

**Resolution 4 - Approval of Grant of Options to Mr Justin Brown**

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

*"That, for the purpose of Listing Rules 10.11 of ASX the issue of 500,000 Options to acquire ordinary fully paid shares in the capital of the Company at an exercise price of 150% of the VWAP of the fully paid ordinary Shares of the Company on the five days prior to the date of issue and expiring on 30 November 2015 and otherwise on the terms and conditions outlined in Annexure A, to Mr Justin Brown, or his nominee, for nil consideration, be and is hereby approved."*

**Short Explanation:** Approval is sought under Listing Rule 10.11 to authorise the Company to issue these securities. Please refer to the Explanatory Memorandum for details. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

**Voting Exclusion Statement**

*The Company will, in accordance with the Listing Rules of the ASX, disregard any votes cast on Resolution 4 by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any of their associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

**Resolution 5 - Approval of Grant of Options to Mr John Ribbons**

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

*"That, for the purpose of Listing Rules 10.11 of ASX the issue of 500,000 Options to acquire ordinary fully paid shares in the capital of the Company at an exercise price of 150% of the VWAP of the fully paid ordinary Shares of the Company on the five days prior to the date of issue and expiring on 30 November 2015 and otherwise on the terms and conditions outlined in Annexure A, to Mr John Ribbons, or his nominee, for nil consideration, be and is hereby approved."*

**Short Explanation:** Approval is sought under Listing Rule 10.11 to authorise the Company to issue these securities. Please refer to the Explanatory Memorandum for details. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

**Voting Exclusion Statement**

*The Company will, in accordance with the Listing Rules of the ASX, disregard any votes cast on Resolution 5 by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any of their associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

**Resolution 6 - Adoption of Option Incentive Plan**

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

*"That, pursuant to and in accordance with Listing Rule 7.2 Exception 9 and for all other purposes, the Company approves the issue of securities under the employee and contractors incentive option scheme known as "Employee Share Option Plan of Montezuma Mining Company Limited", the rules of which are annexed as Annexure B to the Explanatory Memorandum accompanying this Notice of Annual General Meeting, as an exception to Listing Rule 7.1."*

**Short Explanation:** Shareholders have previously approved the Option Plan at the General Meeting held on 2 June 2006. The Directors have proposed the continued adoption of the Incentive Plan to facilitate the issue of options to employees and contractors to reward effort and provide incentive. Please refer to the Explanatory Memorandum for details. Please note that any issue of options to Directors will require separate approval by Shareholders at a general meeting.

**Voting Exclusion Statement**

*The Company will in accordance with the Listing Rules of the ASX, disregard any votes cast on Resolution 6 by a director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company). However, the Company will 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, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

### Resolution 7 - Ratification of Issue and Allotment of Options

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

*"That, for the purpose of Listing Rule 7.4 of the Listing Rules of the ASX, and for all other purposes, the Company approves and ratifies the issue of 250,000 Options to acquire ordinary fully paid Shares in the capital of the Company at an exercise price of 30 cents each and expiring on 16 April 2011 and otherwise on the terms and conditions outlined in Annexure C, to Mr Hannes Huster or his nominee for nil consideration."*

**Short Explanation:** Options were issued to Mr Huster, who is not a related party of the Company, as consideration for consulting services received. Under ASX Listing Rule 7.4, a Company may seek Shareholder approval to ratify an issue of securities provided that the issue does not fall within one of the exceptions to Listing Rule 7.1 and did not breach the 15% restriction contained in Listing Rule 7.1. This resolution, if approved, will allow the Company to have the flexibility to make future issues of securities up to the threshold of 15% of its total equity securities in any 12 month period. Please refer to the Explanatory Memorandum for details.

### Voting Exclusion Statement

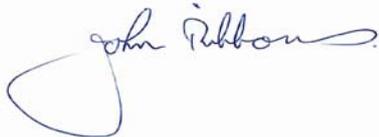
The Company will, in accordance with the Listing Rules of the ASX, disregard any votes cast on Resolution 7 by Mr Huster and any associates of Mr Huster. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides

A proxy form is attached.

To be valid, properly completed proxy forms must be received by the Company no later than 11:30 am (WST) on 24 November 2010:

- By post at 23 Altona Street, West Perth WA 6005
- By facsimile on 08 9389 2199

By order of the Board



John Ribbons  
Company Secretary  
Date: 12 October 2010

## **PROXIES**

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

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

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

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

## **ENTITLEMENT TO VOTE**

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding ordinary Shares at 5:00 pm Perth time on 24 November 2010 will be entitled to attend and vote at the Annual General Meeting.

## **CORPORATIONS**

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

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the Shareholders of Montezuma Mining Company Limited ACN 119 711 929 (**Company**) in connection with the business to be conducted at the Annual General Meeting of the Company to be held at The Celtic Club, 48 Ord Street, West Perth WA 6005, on 26 November 2010 commencing at 11:30 am.

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

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

At the Annual General Meeting, Shareholders will be asked to consider resolutions:

- Adopting the remuneration report, this resolution is advisory only;
- Re-electing Mr Denis O'Meara as a director, who retires by rotation in accordance with the Company's constitution;
- Electing John Ribbons as a director, in accordance with the Company's Constitution;
- Approval of Grant of Options to Mr Justin Brown;
- Approval of Grant of Options to Mr John Ribbons;
- Adoption of Option Incentive Plan; and
- Ratification of Issue and Allotment of Options.

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

### Financial and Other Reports

As required by section 317 of the Corporations Act, the financial statements for the year ended 30 June 2010 and the accompanying Directors Report, Directors' Declaration and Auditor's Report will be laid before the meeting.

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

### Resolution 1 - Remuneration Report

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

- information about Board policy for determining the nature and amount of remuneration of the Company's Directors and senior executives; and
- remuneration details for each Director and for each of the Company's specified executives.

The Remuneration Report, which is part of the 2010 Annual Report, has been sent to Shareholders (who have elected to receive the Annual Report). Copies of the 2010 Annual Report are available by contacting the Company or visiting the Company's web site ([www.montezumamining.com.au](http://www.montezumamining.com.au)).

### Resolution 2 - Re-election of Denis O'Meara as a Director

Resolution 2 deals with the re-election of Mr Denis O'Meara who was appointed a non-executive director on 16 May 2006 and retires as required by the Company's Constitution and the Listing Rules and, being eligible, has offered himself for re-election.

Mr O'Meara is a Prospector and founder of De Grey Mining Ltd. Mr O'Meara has a lifelong involvement in mining, prospecting and exploration. He has been involved in several major resource and exploratory discoveries in Western Australia including Miralga Creek, Sulphur Springs, Gorge Range, Indee (Wingina and Orchard Tank Well) (Pilbara), Horans Dam (Kalgoorlie), Triangle Bore (Mt Magnet) and Weld Range (Murchison). His activities have supported several corporate fund raisings/listings since 1969. His prospecting has also led to joint ventures with 17 companies. Mr O'Meara is the discoverer of the Beyondie Bluff gold and base metal anomalies and originally sampled for gold at the Indee Turner River Gold Belt in 1987. He was awarded AMEC Prospector of the Year in 2004, jointly with Geoff Blackburn.

Mr O'Meara has served as an Executive Councillor of AMEC, a board member of AGIC (Australian Gold Industry Council) for its 10-year duration and board member of the Port Hedland Port Authority from 1972 to 1985. He also received a National Outstanding Achievement Award - Greening Australia, 1991 and served as a board member of the Kings Park and Botanical Gardens, Perth, 1994 - 1996.

All the Directors except for Mr O'Meara recommend that Shareholders vote in favour of Resolution 2.

### **Resolution 3 - Election of John Ribbons as a Director**

Resolution 3 deals with the election of Mr John Ribbons who was appointed a non-executive director on 14 July 2010. Mr Ribbons has been appointed a director since the previous General Meeting and retires as a director of the Company in accordance with the Company's Constitution and, being eligible, has offered himself for election.

Mr Ribbons is an accountant who has worked within the resources industry for over fifteen years.

Mr Ribbons has extensive knowledge and experience with ASX listed production and exploration companies. He has considerable site based experience with operating mines and has also been involved with the listing of several exploration companies on ASX. Mr Ribbons has experience in capital raising, ASX and TSX compliance and regulatory requirements and is the Company's Secretary.

All the Directors except for Mr Ribbons recommend that Shareholders vote in favour of Resolution 3.

### **Resolutions 4 and 5 - Approval of Grant of Options to Directors**

The Company proposes to grant a total of 1,000,000 Options to Directors, or their nominees, for nil consideration, as follows:

Name	Number of options	Exercise price	Expiry date	Vesting
Justin Brown	500,000	150% of the VWAP of the fully paid ordinary shares 5 days prior to issue	30 November 2015	Immediately following shareholder approval
John Ribbons	500,000	150% of the VWAP of the fully paid ordinary shares 5 days prior to issue	30 November 2015	Immediately following shareholder approval

The full terms of the Options are set out in Annexure A to this Explanatory Memorandum.

The Directors' consider that the incentives represented by the grant of the Options are a cost effective and efficient means for the Company to provide a reward and an incentive.

The exercise price will only be known on the date of issue. Assuming that the Options were issued on the date of this Notice, the exercise price would be \$0.4199. On that basis, in the event all the Options are exercised, the Directors (or their nominees) will need to pay a total of \$419,900 to the Company.

### ***Related Party Transactions Generally***

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

1. the giving of the financial benefit falls within one of the nominated exceptions to the provision; or
2. prior Shareholder approval is obtained to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E, Directors and persons who were a related party in the previous six months, are considered to be a related party of the Company.

Resolutions 4 and 5 provide for the grant of Options to a related party which is a financial benefit which requires Shareholder approval. For the purpose of Chapter 2E of the Corporations Act the following information is provided.

***The related party to whom the proposed resolution would permit the financial benefit to be given***

Subject to Shareholder approval, the Options the subject of Resolutions 4 and 5 will be granted to Directors or their nominee within one month of the passing of this Resolution. Mr Brown and Mr Ribbons are Directors of the Company and are therefore classified as related parties.

***The nature of the financial benefit***

The proposed financial benefit is the grant to Directors or their nominees, for no issue price, that number of Options shown beside the name of the Director in Table 1 below. Each Option will allow Directors to subscribe for one ordinary fully paid Share in the Company. The exercise price of each Option is also detailed in Table 1. The Options form part of the Directors' incentive for continuing and future efforts.

***Directors' recommendation***

Mr O'Meara recommends Shareholders vote in favour of Resolutions 4 and 5.

Mr Brown and Mr Ribbons do not wish to make a recommendation about the proposed Resolutions 4 and 5 as they may potentially receive a financial benefit from the passing of the Resolutions in relation to the grant of the Options and do not consider themselves sufficiently independent to make a recommendation.

***Interests of Directors***

Mr Brown and Mr Ribbons have noted their respective interests in the approval of Resolutions 4 and 5 in relation to the Options.

***Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its officers.***

- (a) The proposed Resolutions would have the effect of giving power to the Directors to grant 500,000 Options to Mr Brown or his nominee and 500,000 Options to Mr Ribbons or his nominee,
- (b) The exercise of the Options is subject to the terms and conditions as set out in Annexure A to this Explanatory Memorandum and as otherwise mentioned above;
- (c) The Directors, in conjunction with the Company's advisers have provided an indicative value to the options by reference to the Black-Scholes valuation method, based upon the assumptions outlined in Table 3. The valuation cannot be finalised until the grant date of the Options;
- (d) The total value of the Options to be issued is outlined in Table 1. If Options granted to Directors or their nominee are exercised, the effect would be to dilute the Shareholdings of the existing Shareholders;
- (e) As at the date of this Notice, the issued capital of the Company comprised 42,331,903 Shares. If all Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, and assuming other share issues proceed, the effect would be to dilute the Shareholding of existing Shareholders as per the table below:

	Existing Shares & Options
Shares & Options	69,527,170
Options to be granted	1,000,000
<b>New Total</b>	<b>70,527,170</b>
Dilutionary effect	1.4%

- (f) Mr Brown's and Mr Ribbons' current interests in securities of the Company are detailed in Table 2;
- (g) The market price of the Company's Shares during the term of the Options will normally determine whether or not the Option holder exercises the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Options;

- (h) The Options will not be quoted on ASX and as such have no actual market value. The fully paid ordinary Shares of the Company have been traded on ASX since November 2006. In the twelve months prior to the date of this notice the Shares have traded in the range of 14 cents to 40 cents, the most recent closing price prior to printing of this notice was 28 cents. The Options are capable of being converted to Shares by payment of the exercise price;
- (i) Mr Brown currently receives a salary of \$200,000, plus superannuation and Mr Ribbons currently receives director's fees of \$35,000 per annum.
- (j) Under the Australian equivalent of IFRS, the Company is required to expense the value of the Options in its statement of financial performance for the current financial year. Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Options to Directors or their nominee pursuant to Resolutions 4 and 5; and
- (k) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by this resolution.

**Additional Information**

The following information in relation to the Options to be granted pursuant to Resolutions 4 and 5 is provided to Shareholders:

- (a) the Options will be granted to Mr Brown and Mr Ribbons, or their nominees, as noted above;
- (b) the maximum number of Options to be granted pursuant to Resolutions 4 and 5 is 1,000,000;
- (c) the Options will be allotted and granted on a date which will be no later than 1 month after the date of the general meeting;
- (d) the Options will be granted for no consideration and accordingly no funds will be raised by the grant of the Options; and
- (e) the terms and conditions of the Options are set out in Annexure A to this Explanatory Memorandum.

**Table 1 - Details of options to be issued to Related Parties**

Name	Relationship	Number of options	Exercise price	Expiry date	Vesting	Value as determined by Black-Scholes valuation
Justin Brown	Director	500,000	150% of the VWAP of the fully paid ordinary Shares 5 days prior to issue	30 November 2015	At date of allotment	\$52,200
John Ribbons	Director	500,000	150% of the VWAP of the fully paid ordinary Shares 5 days prior to issue	30 November 2015	At date of allotment	\$52,200

**Table 2 -Details of current holdings of securities in the Company**

Director	Shareholding	Option holding
Justin Brown	1,100,000	5,512,500
John Ribbons	153,337	638,334

**Table 3 - Option Valuation details**

Details	Input
Share price	\$0.28
Exercise Price	\$0.4199*
Risk Free Rate (RBA Cash Rate)	4.25%
Volatility (Annualised)	50%
Start Date	26 November 2010
Expiry Date	30 November 2015
<b>Value per Option</b>	<b>\$0.1044</b>

\* Based on 5 day VWAP of the fully paid ordinary shares 5 days prior to the date of this Notice, being 12 October 2010.

#### **Resolution 6 - Adoption of Option Incentive Plan**

The Directors considered that it was desirable to establish an option plan under which employees may be offered the opportunity to subscribe for options to acquire Shares in the Company in order to increase the range of potential incentives available to them and to strengthen the links between the Company and its employees and contractors. Accordingly, the Company adopted the Employee Share Option Plan of Montezuma Mining Company Limited (**Option Plan**) on 2 June 2006.

The objective of the Option Plan is to attract, motivate and retain key employees and contractors of the Company.

Shareholder approval is required if any issue of employee and contractor options pursuant to the Option Plan is to fall within an exception to the 15% limit imposed by Listing Rule 7.1, on the number of securities which may be issued without Shareholder approval. Accordingly, Shareholder approval is sought for the purposes of Listing Rule 7.2 Exception 9(b), which provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by Shareholders within three years of the date of issue. Please note that further prior Shareholder approval will be required before any Directors or related parties of the Company can participate in the Option Incentive Plan.

#### **Resolution 7 - Ratification of Issue and Allotment of Options**

Resolution 7 of the Notice of Annual General Meeting proposes the ratification of the allotment and issue on 16 April 2010 of 250,000 Options to Mr Hannes Huster at an exercise price of \$0.30 each, expiring on 15 December 2013.

ASX Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such a ratification is to restore a company's maximum discretionary power to issue further shares up to 15% of the issued capital of the company without requiring shareholder approval.

Resolution 7 is required to be approved in accordance with ASX Listing Rule 7.4 to ratify previous issues of securities. The Company confirms that the issue and allotment of the securities the subject of Resolution 7 did not breach ASX Listing Rule 7.1.

Listing Rule 7.5 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of Listing Rule 7.4 and the following information is included in this Explanatory Memorandum for that purpose:

- (a) 250,000 Options were issued by the Company with an exercise price of \$0.30 and an expiry date of 16 April 2011;
- (b) the Options were issued to Mr Hannes Huster for nil consideration, who is not a related party of the Company;
- (c) the terms and conditions of the Options are set out in Annexure C of this Notice;
- (d) a voting exclusion statement is included in this Notice.

## GLOSSARY

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

<b>ASX</b>	means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
<b>Board</b>	means the board of Directors of the Company.
<b>Company</b>	means Montezuma Mining Company Limited ACN 119 711 929
<b>Corporations Act</b>	means Corporations Act 2001 (Cth).
<b>Director</b>	means a director of the Company.
<b>Explanatory Memorandum</b>	means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Notice or Notice of Meeting</b>	means the Notice of Annual General Meeting accompanying this Explanatory Memorandum.
<b>Option</b>	means an option to acquire 1 fully paid ordinary Share.
<b>Resolution</b>	means a resolution contained in the Notice.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.

ANNEXURE A

TERMS AND CONDITIONS  
OPTIONS EXPIRING 30 NOVEMBER 2015

The Options to be issued pursuant to the Resolutions will be issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option will be 150% of the VWAP of the fully paid ordinary shares of the Company on the five days prior to the date of issue ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Montezuma Mining Company Ltd ABN 46 119 711 929 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5.00 pm, Western Standard Time on 30 November 2015 ("**Expiry Date**").
5. The Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules;
6. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
7. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before books closing date to exercise the Options.
8. In the event the Company proceeds with a pro rata issue (except a bonus issue) of 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 the formula set out in ASX Listing Rule 6.22.2;
9. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
10. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
11. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
12. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.

ANNEXURE B

PLAN RULES OF THE EMPLOYEE SHARE  
OPTION PLAN OF  
MONTEZUMA MINING COMPANY LIMITED ACN 119 711 929

DEFINITIONS AND INTERPRETATION

1.1 In the construction of these Rules, unless the contrary intention appears:

“Associate” has the meaning given it in Rule 6.3;

“the ASX” means Australian Securities Exchange Limited ACN 008 624 691;

“at any time” means at any time and from time to time;

“the Company” means Montezuma Mining Company Limited ACN119 711 929;

“Directors” means the directors of the Company in office for the time being;

“Eligible Person” means a person meeting the requirements of Rule 4.2;

“exercise price” means the sum of money required to be paid to exercise an Option;

“Listing Rules” means the Listing Rules of the ASX, each as amended from time to time, except to the extent of any express written waiver by the ASX in respect of the Company;

“Market Price of a Share” on a particular day means the weighted average market price per Share (weighted by reference to volume) during the five consecutive trading days on the ASX ending on the day before the particular date;

“Option” means an option to subscribe for and be allotted a Share, where that option has been issued under the Plan;

“Option Holder” means the person in whose name an Option Certificate is issued. *Note: an employee may have nominated an Associate (e.g. spouse or family company) to be granted the Options. In that event the “Option Holder” is the Associate, not the employee.*

“person” includes an individual, corporation, trust, partnership or other entity;

“Plan” means the Employees Share Option Plan of the Company;

“Share” means an ordinary fully paid share in the capital of the Company;

“Rules” means these Rules as amended from time to time;

“the Secretary” means the company secretary for the time being of the Company;

“the Tax Act” means whichever of the following is applicable at the relevant time in the context of this Plan:

- (a) the Income Tax Assessment Act 1936 (Cwlth);
- (b) the Income Tax Assessment Act 1997 (Cwlth).

- 1.2 Italicised notes and italicised examples set out beneath particular Rules are not part of these Rules. Accordingly:
- (a) such notes or examples may at any time be added to, varied or deleted from these Rules by the Directors; and
  - (b) the Rules may be published at any time with or without any one or more of those notes and examples, and either uniformly or on a selective basis.
- 1.3 In the construction of these Rules:
- (a) singular includes plural, and vice versa, and words importing any gender include each other gender;
  - (b) except for the definitions in Rule 1.1, any expression in these Rules which deals with a matter dealt with by a Listing Rule, has the same meaning as in that Listing Rule;
  - (c) all references to statutory provisions includes any regulation made under that legislation and are construed as references to any statutory modification or re-enactment (whether before, on or after the commencement of this Plan) for the time being in force.

#### **NAME OF THE PLAN**

The Plan is to be known as:

- (a) "the Employees Share Option Plan of Montezuma Mining Company Limited"; or
- (b) such other name as the Directors may at any time determine.

#### **COMMENCEMENT OF THE PLAN**

The Plan commences on the day that approval for introduction of the Plan is first given by the Members of the Company in general meeting.

#### **ELIGIBLE PERSONS**

4.1 Only Eligible Persons (and their Associates) may be invited to participate in the Plan.

4.2 Each of the following is an Eligible Person:

- (a) a full-time employee of the Company;
- (b) a permanent part-time employee of the Company;
- (c) a person who is a director, alternate director or company secretary of the Company.

#### **INVITATION TO PARTICIPATE**

5.1 The Directors may at any time issue invitations to participate in the Plan and grant Options in accordance with the Plan.

5.2 The Directors have an absolute discretion:

- (a) as to which Eligible Persons (determined in accordance with Rule 4.2) will be invited to participate in the Plan; and
- (b) as to the number of Options offered to each such Eligible Person.

- 5.3 In exercising their discretion under these Rules in relation to any matter (including under Rule 5.2 and the terms of issue of any Option), the Directors may take into account any matter they consider relevant. This includes, but is not limited to, considering in relation to an Eligible Person:
- (a) the position they hold, or role they play, in the Company;
  - (b) the nature or terms of their employment or other contractual arrangements;
  - (c) the contribution they make to the Company in its business;
- 5.4 Each invitation to an Eligible Person to participate in the Plan must be in writing, signed by the Secretary or any Director, and shall:
- (a) specify the time within which the invitation may be accepted;
  - (b) specify the number of Options being offered;
  - (c) contain such other matters as the Directors at any time determine.
- 5.5 An acceptance of such an invitation is effective only if:
- (a) it is in such form as the Directors determine or in particular circumstances are prepared to accept; and
  - (b) it is received by the Secretary within the period stipulated for acceptance; and
  - (c) it is completed and accompanied by such documents as the Directors may at any time determine.
- 5.6 The acceptance of an invitation does not create a binding contract to grant Options. After acceptance the Directors may in their absolute discretion determine:
- (a) not to grant the Options identified in the invitation; or
  - (b) grant Options which differ in number or their terms from that identified in the invitation.
- 5.7 If there is any inconsistency between the terms of an Option incorporated into its Option Letter and either the terms of the invitation or these Rules, the terms of the Option Letter prevail.

#### ASSOCIATE ACCEPTING INVITATION

- 6.1 An Eligible Person to whom an invitation to participate in the Plan has been issued may, in accepting such invitation, nominate a person who is an Associate of the Eligible Person to be the grantee of the Options offered.
- 6.2 If the Directors are satisfied, based on statements made or information supplied by the Eligible Person, that the person nominated is in fact an Associate of the Eligible Person, the Directors may accept that nomination and the Associate will become the Option Holder.
- 6.3 The expression "Associate" in relation to an Eligible Person has the same meaning as it has in section 139GE of the Tax Act.

*Note: "Associate" is defined in wide terms. It includes:*

- (a) a "relative" of the Eligible Person (e.g. parent, uncle, aunt, brother, sister, child, nephew, niece, or the spouse of any of these);
- (b) a company where the Eligible Person holds (whether directly or indirectly) at least one share in the company;

- (c) *a trustee of a trust where the Eligible Person is capable of benefiting under the trust (whether directly or indirectly).*

#### LIMIT TO SIZE OF PLAN

- 7.1 At any particular point of time the total of:
- (a) the number of Shares the subject of Options which are both unexercised and unexpired; and
  - (b) the number of Shares issued as a result of the exercise of Options,
- must not exceed 5% of the number of Shares on issue at that time.

#### OPTIONS GRANTED FREE

- 8.1 No consideration is payable by any person in respect of the grant by the Company of an Option under the Plan.

*Note: While the Option is free, there may be tax payable by the Eligible Person in respect of the value, attributed by the Tax Act, of that free Option.*

#### REGISTER OF OPTION HOLDERS

- 9.1 The required information in relation to all Options must be entered in the Register of Option Holders maintained by the Company under sections 168 and 170 of the Corporations Act.

#### EXERCISE PRICE

- 10.1 At the time of grant of an Option, the Directors will specify the exercise price of the Option.
- 10.2 Without limiting the ways in which the exercise price may be specified, it may include:
- (a) a fixed amount;
  - (b) the Market Price of a Share on the date the invitation is made under Rule 5.4;
  - (c) the Market Price of a Share on the date the Option is granted;
  - (d) the Market Price of a Share on a specified date which is after the date the Option is granted;
  - (e) a percentage above the amount in (b), (c) or (d).

#### PERFORMANCE HURDLES AND EXERCISE PERIODS

- 11.1 At the time of grant of an Option, the Directors will specify:
- (a) the days on which, or periods during which, the Option is exercisable; and
  - (b) the performance hurdles, if any, that must be satisfied before the Option is exercisable; and
  - (c) any other requirements that must be satisfied before the Option is exercisable.
- 11.2 Without limiting the ways in which matters in (b) and (c) of the preceding Rule are specified, the Directors may specify that:
- (a) an Option is exercisable in a specified period if, at any time in another specified period, the Market Price of a Share has exceeded a specified figure;

- (b) an Option is exercisable in a specified period if specified criteria are met or specified events have occurred by a specified time;
- (c) an Option is not exercisable while the Eligible Person is in breach of the terms of the service agreement or other arrangements (whether directly with the Company or not) by which the Eligible Person remains an Eligible Person.

#### MANNER OF EXERCISE OF OPTIONS

- 12.1 An Option may only be exercised if it has not yet lapsed, has not been cancelled, and the performance hurdles and other requirements in the Option Certificate have been satisfied.
- 12.2 An Option is exercised if there are received at the registered office of the Company in Perth (or at such other place as is authorised by the Directors) the following:
  - (a) a Notice of Exercise of Option duly completed and executed by the Option Holder, such Notice being either in the form of that in the Schedule to these Rules or in the form of that in the Option Certificate or in other usual or common form; and
  - (b) payment of the exercise price in respect of each Option being exercised.
- 12.3 The minimum number of Options that may be exercised at any time is 10% of all those Options held by the Option Holder at that time which have the same exercise price and the same performance hurdles.
- 12.4 Whenever the Option Holder duly exercises Options but there remains after such exercise one or more unexercised Options the subject of the Option Certificate, the Company shall issue an Option Statement for the number or remaining Options.

#### SHARES ARISING ON EXERCISE

- 13.1 Each Share allotted as a result of the exercise of an Option will rank pari passu with all other Shares which comprise the main class of Shares quoted on the ASX and may not be sold within 12 months of their allotment and issue if such sale would contravene section 707 of the Corporations Act.
- 13.2 Following allotment of a Share as a result of the exercise of an Option, the Company will make application, within the period specified in the Listing Rules, for the new Share to be quoted on the ASX.

#### OPTIONS NOT TRANSFERABLE

- 14.1 The Options will not be listed or quoted on any stock exchange.
- 14.2 An Option is personal to the Option holder and the Option holder may not sell, transfer or otherwise dispose of, or make a declaration of trust in respect of, it except to an Associate of that Option Holder.

#### LAPSING

- 15.1 Each Option will lapse on the earliest to occur of:
  - (a) the end of the date, if any, specified in the Option Certificate as the date on which the Option expires or lapses;
  - (b) if when the Option was granted the Option Holder was an Eligible Person, the date, which is three calendar months following, on which the Option Holder ceases to be an Eligible Person, regardless of the reasons or causes for the Option Holder ceasing to be an Eligible Person;
  - (c) if when the Option was granted the Option Holder was an Associate of an Eligible Person, the earlier to occur of:

- (i) the date, which is three calendar months following, on which the Eligible Person ceases to be an Eligible Person, regardless of the reasons or causes for them ceasing to be an Eligible Person;
- (ii) the date, which is three calendar months following, on which the Option Holder ceases to be an Associate of the Eligible Person.

#### PARTICIPATION IN DIVIDENDS AND NEW ISSUES

- 16.1 Each Option does not give any right to participate in dividends declared or paid on existing Shares. However, a Share allotted pursuant to the exercise of the Option is entitled to participate in those dividends where the record date for the dividend is after the date the Share is allotted.
- 16.2 An Option Holder cannot, in that capacity, participate in new issues of securities of the Company without exercising the Option. However:
- (a) under Rule 17 there may be an adjustment to the number of Shares over which the Option may be exercised; and
  - (b) under Rule 18 there may be a reduction in the exercise price of the Option.

#### BONUS ISSUES

- 17.1 If at any time after the date an Option is granted and before it is exercised there is a bonus issue to the holders of Shares, the number of Shares over which the Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option had been exercised before the record date for the bonus issue. The effect will be that the Option Holder will be entitled, upon exercise of each Option, and without any change to the exercise price, to receive additional Shares equal to the number of bonus shares that would have been issued as if the Option had been exercised on the day prior to the record date of the bonus share issue.

#### RIGHTS ISSUES

- 18.1 If at any time after the date an Option is granted and before it is exercised there is a pro rata issue (other than a bonus issue) to the holders of Shares, the exercise price of each unexercised Option will be reduced according to the following formula:
- the new exercise price of the Option is equal to the old exercise price of the Option less a value attributed to the right as calculated in accordance with a formula;
  - that formula (for valuing the right) is:

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

where:

"E" = the number of Shares into which one Option is exercisable;

*Note: E is one, unless the number has changed because of a bonus issue.*

"P" = the average market price per Share (weighted by reference to volume) during the 5 trading days ending on the day before the ex rights date or ex entitlements date (calculated in accordance with Listing Rule 6.2.2.2);

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

- "D" = the dividend due but not yet paid on existing Shares (except those to be issued under the pro rata issue);
- "N" = the number of Shares with rights or entitlements that must be held to receive a right to one new security.

#### NOTIFICATION OF BONUS AND RIGHTS ISSUES

- 19.1 The Company will notify each Option Holder and the ASX, within one month after the record date of a bonus issue or other pro rata issue, of the adjustment to the number of Shares over which each Option exists and of any adjustment to the exercise price.

#### REORGANISATION OF SHARE CAPITAL

- 20.1 The rights of an Option Holder will be changed to the extent necessary to comply with the Listing Rules applying to any reorganisation of the capital of the Company (at any time after the Options are granted) at the time of the reorganisation.

#### LISTING ON THE ASX

- 21.1 If any of the following events occurs:
- (a) a trading halt, suspension of quotation of Shares on the ASX, reinstatement of such quotation, or ending of such quotation; or
  - (b) the removal of the Company from the official list of the ASX,
- then:
- (i) any unexercised Options do not, by reason of that event alone, lapse; and
  - (ii) the terms of each Option Certificate remain unaltered in their application (with no extension of time being granted) even though this may mean that either the Company or the Option Holder is thereby prevented from satisfying, effecting or complying with a provision of the Option Certificate; and
  - (iii) the Option Holder has no claim for damages against the Company, regardless of the reason or cause of such event occurring.

#### TAKEOVERS

- 22.1 The Directors, when granting an Option, may in their absolute discretion determine that the terms of the following 4 Rules in relation to takeovers, or a modified form of them as the Directors determine, are included in the Option Certificate as terms on which the Options are granted.
- 22.2 If a takeover bid is made for the Shares then, at any time during the Takeover Period:
- (a) the Company may give the Option Holder not less than 7 days written notice of the intention of the Company to cancel one or more of the Options;
  - (b) the Company may, at any time after expiry of that notice and during the Takeover Period, cancel the number of Options in respect of which it gave notice under paragraph (a) by giving the Option Holder a written notice to that effect.
- 22.3 If the value of the maximum consideration offered by the bidder for each Share under the takeover bid exceeds the exercise price of an Option so cancelled, the Company must pay to the Option Holder an amount equal to that excess. Such payment must be made by the Company by no later than the end of the Takeover Period. If there is no such excess, no payment by the Company is required.

- 22.4 If a takeover bid is made for the Shares then, at any time during the Takeover Period, the Option Holder may exercise each Option (which has not yet been cancelled under Rule 22.2(b)) at the exercise price, despite the fact that either it is then outside an exercise period specified in the Option Certificate or a performance hurdle specified in the Option Certificate has not yet been satisfied.
- 22.5 For the purposes of the 4 preceding Rules:
- (a) "the Takeover Period" is from the start of the offer period until one month after the end of the offer period;
  - (b) any expression used in those Rules which is given a particular meaning in the context of Chapter 6 (takeovers) of the Corporations Act has the same meaning in those 3 Clauses.

#### EMPLOYEE BOUND BY RULES AND CONSTITUTION

- 23.1 Each Eligible Person or Associate who accepts an invitation to take up Options under the Plan, and each Option Holder, is bound by these Rules.
- 23.2 Each Option Holder who exercises an Option and is allotted a Share is bound by these Rules and by the Constitution of the Company in the same way as any other holder of Shares.

#### PLAN NOT PART OF OTHER ARRANGEMENTS

- 24.1 The Plan, its Rules and the terms of an Option Statement:
- (a) do not form part of any contract of employment between an employee and the Company;
  - (b) do not form part of any contractual arrangements which may give rise to a person being an Eligible Person; and
  - (c) do not confer, directly or indirectly, on any person any legal or equitable right whatsoever (other than rights as holders of any Shares issued pursuant to exercise of Options under the Plan) against the Company.

#### PLAN FORMS

- 25.1 The Directors may at any time require an Eligible Person or Associate to whom Options are to be granted, or an Option Holder, to complete and return to the Secretary such documents as the Directors consider should, for legal or taxation purposes, be completed by that person.

#### POWERS OF THE DIRECTORS

- 26.1 The Plan will be administered by the Directors who have power at any time to:
- (a) determine appropriate procedures for administration of the Plan consistent with the provisions of these Rules;
  - (b) resolve conclusively all questions of fact or interpretation arising in connection with the Plan;
  - (c) delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of any of their powers or discretions arising under the Plan; and
  - (d) subject to any restrictions imposed by the Corporations Act or the Listing Rules, add to, delete or otherwise vary these Rules.

## COMMENCEMENT AND TERMINATION OF THE PLAN

27.1 The Plan may at any time be terminated by resolution of the Directors.

## GENERAL

28.1 The Plan is governed by and construed in accordance with law for the time being in the State of Western Australia.

ANNEXURE C

TERMS AND CONDITIONS  
30 CENT OPTIONS EXPIRING 16 APRIL 2011

The Options are issued on the following terms:

1. Each Option shall be issued for no consideration.
2. Each Option entitles the holder to subscribe for one Share in Montezuma Mining Company Ltd ABN 46 119 711 929 ("**Company**") upon the payment of 30 cents per Share subscribed for.
3. The Options will lapse at 5.00 pm, Western Standard Time on 30 November 2015 ("**Expiry Date**").
4. the Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules;
5. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
6. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before books closing date to exercise the Options.
7. In the event the Company proceeds with a pro rata issue (except a bonus issue) of 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 the formula set out in ASX Listing Rule 6.22.2;
8. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
9. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
10. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
11. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.

**MONTEZUMA MINING COMPANY LIMITED**  
**ACN 119 711 929**  
**PROXY FORM**

The Company Secretary  
 Montezuma Mining Company Limited  
 23 Altona Street  
 West Perth WA 6005

**Facsimile: +61 8 9389 2199**

I/We (name of shareholder) .....  
 of (address) .....  
 being a member/members of Montezuma Mining Company Limited HEREBY APPOINT  
 (name) .....  
 of (address) .....  
 and/or failing him (name) .....  
 of (address) .....  
 or failing that person then the Chairperson of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 26 November 2010 and at any adjournment of the meeting.

**PROXY INSTRUCTIONS**

<p>If you wish to instruct your proxy how to vote, insert "X" in the appropriate column against the item of business set out below.</p> <p>If you do not wish to direct your proxy how to vote please place a mark in the box. By marking this box, you acknowledge that the Chairperson may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as a proxy holder will be disregarded because of that interest. The Chairperson has advised that his intention is to vote in favour of the resolutions.</p> <p>If you do not mark this box, and you have not directed your proxy how to vote, the Chairperson will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.</p>	<div style="border: 2px solid black; width: 60px; height: 60px; margin: 0 auto;"></div>
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*Should you so desire to direct the Proxy how to vote, you should place a cross in the appropriate box(es) below:*

I/We direct my/our Proxy to vote in the following manner:

RESOLUTION	FOR	AGAINST	ABSTAIN
1      Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2      Re-election of Denis O'Meara	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3      Election of John Ribbons	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4      Approval of Grant of Options to Mr Justin Brown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5      Approval of Grant of Options to Mr John Ribbons	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6      Adoption of Option Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7      Ratification of Issue and Allotment of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*This Proxy is appointed to represent \_\_\_\_\_ % of my voting right, or if 2 proxies are appointed Proxy 1 represents \_\_\_\_\_% and Proxy 2 represents \_\_\_\_\_% of my total votes. My total voting right is \_\_\_\_\_ Shares.*

**SIGNATURE OF SECURITY HOLDERS – PLEASE SIGN HERE**

Individual or Shareholder 1	Joint Shareholder 2	Joint Shareholder 3
Sole Director & Sole Company Secretary	Director / Company Secretary	Director

Dated this \_\_\_\_\_ Day of \_\_\_\_\_ 2010

## INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed in accordance with its constitution or its duly authorised attorney. In the case of joint Shareholders, this proxy must be signed by each of the joint Shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies **must be received by the Company no later than 48 hours** before the time appointed for the holding of this Annual General Meeting **that is by 11:30 am on 24 November 2010** by post or facsimile to the respective addresses stipulated in this proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
  - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
  - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
  - (c) if the proxy is the Chairperson, the proxy must vote on a poll and must vote that way, and
  - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.
7. If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.