



Gold Aura Limited

A.B.N. 75 067 519 779



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Level 6, 200 Creek Street, Brisbane

PO Box 728
Spring Hill Qld
Australia 4004

27 August 2008

Company Announcements Office
Australian Securities Exchange

General Meeting of Shareholders

A General Meeting of the Company's shareholders will be held on Thursday, 25 September, 2008. Please find attached the Notice of General Meeting and Proxy Form which have been sent to the Company's shareholders.

Yours Faithfully
GOLD AURA LIMITED

A handwritten signature in blue ink, appearing to read 'J. Lemon'.

John Lemon
Company Secretary

Enc



Gold Aura Limited

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Tel: +61 7 3833-3833
Fax: +61 7 3833-3888

Level 6, 200 Creek Street, Brisbane, Qld, Australia

Postal Address:
PO Box 728
Spring Hill Q
Australia 4004

NOTICE OF GENERAL MEETING

Date of Meeting: Thursday, 25 September 2008
Time of Meeting: 11.00am (Brisbane Time)
Place of Meeting: Level 6
200 Creek Street,
Brisbane, Qld 4000

This Notice of General Meeting should be read in its entirety. If you are in doubt as to how to vote at the meeting you should seek advice from your accountant, solicitor or other professional adviser before voting.

**GOLD AURA LIMITED
ABN 75 067 519 779**

NOTICE OF GENERAL MEETING

A General Meeting of Shareholders of Gold Aura Limited ("the Company") will be held at the registered office of the Company at Level 6, 200 Creek Street, Brisbane, Queensland on Thursday, 25 September 2008 at 11.00 am (Brisbane time).

The accompanying Explanatory Memorandum provides additional information on the matters to be considered at the General Meeting, and forms part of this Notice of General Meeting.

Certain terms and abbreviations used in this Notice of General Meeting and the accompanying Explanatory Memorandum are defined in Section 16 of the Explanatory Memorandum.

AGENDA

1. RATIFICATION OF ISSUE OF 12,500,000 SHARES TO MARTIN PLACE SECURITIES CLIENTS

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

"That the issue of 12,500,000 fully paid ordinary shares in the capital of the Company at \$0.04 (4 cents) per share to various clients of Australian Financial Services Licensee Martin Place Securities Pty Ltd during the period 19 March 2008 – 4 August 2008 is hereby approved for the purposes of ASX Listing Rule 7.4 and for all other purposes."

2. RATIFICATION OF ISSUE OF 625,000 SHARES TO AUSTOCK NOMINEES PTY LTD

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

"That the issue of 625,000 fully paid ordinary shares in the capital of the Company at \$0.04 (4 cents) per share to Austock Nominees Pty Ltd on 20 May 2008 is hereby approved for the purposes of ASX Listing Rule 7.4 and for all other purposes."

3. RATIFICATION OF ISSUE OF 1,300,000 SHARES TO BRENT STUART BRO SSEUK

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

"That the issue of 1,300,000 fully paid ordinary shares in the capital of the Company to Brent Stuart Brosseuk on 15 August 2008 is hereby approved for the purposes of ASX Listing Rule 7.4 and for all other purposes."

4. ISSUE OF 6,250,000 OPTIONS TO MARTIN PLACE SECURITIES CLIENTS

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

"That in accordance with the provisions of ASX Listing Rule 7.1, and for all other purposes, the Company is authorised to issue 6,250,000 options to subscribe for ordinary shares in the capital of the Company, exercisable at \$0.13 (13 cents) per option on or before 31 March 2009, to various clients of Australian Financial Services Licensee Martin Place Securities Pty Ltd, and otherwise on the terms and conditions contained in this Notice of Meeting."

5. ISSUE OF 312,500 OPTIONS TO AUSTOCK NOMINEES PTY LTD

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

“That in accordance with the provisions of ASX Listing Rule 7.1, and for all other purposes, the Company is authorised to issue 312,500 options to subscribe for ordinary shares in the capital of the Company, exercisable at \$0.13 (13 cents) per option on or before 31 March 2009, to Austock Nominees Pty Ltd, and otherwise on the terms and conditions contained in this Notice of Meeting.”

6. ISSUE OF 650,000 OPTIONS TO BRENT STUART BROSEUK

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

“That in accordance with the provisions of ASX Listing Rule 7.1, and for all other purposes, the Company is authorised to issue 650,000 options to subscribe for ordinary shares in the capital of the Company, exercisable at \$0.13 (13 cents) per option on or before 31 March 2009, to Brent Stuart Brosseuk, and otherwise on the terms and conditions contained in this Notice of Meeting.”

7. ISSUE OF 2,000,000 OPTIONS TO GREGORY BARRY STARR

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

“That for the purposes of ASX Listing Rule 10.11, and for all other purposes, the Company is authorised to issue 2,000,000 options to subscribe for ordinary shares in the capital of the Company, exercisable at \$0.04 (4 cents) per option on or before 1 April 2013, to Gregory Barry Starr, and otherwise on the terms and conditions contained in this Notice of Meeting.”

8. ISSUE OF 2,500,000 SHARES AND 1,250,000 OPTIONS TO GREGORY BARRY STARR

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

“That for the purposes of ASX Listing Rule 10.11, and for all other purposes, the Company is authorised to issue:

- (i) 2,500,000 fully paid ordinary shares in the capital of the Company; and*
- (ii) 1,250,000 options to subscribe for ordinary shares in the capital of the Company, exercisable at \$0.13 (13 cents) per option on or before 31 March 2009,*

to Gregory Barry Starr, and otherwise on the terms and conditions contained in this Notice of Meeting.”

9. ISSUE OF UP TO 8,624,993 BONUS SHARES

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

“That the issue of up to 8,624,993 bonus fully paid ordinary shares in the capital of the Company to all or any of those Shareholders who participated in the offer dated 1 August 2008 under the Company’s Share Purchase Plan, on the terms and conditions contained in this Notice of Meeting, be approved for the purposes of ASX Listing Rule 7.1 and for all other purposes.”

10. ISSUE OF BONUS SHARES TO DIRECTOR KENNETH GRAEME CHAPPLE

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

“That for the purposes of ASX Listing Rule 10.11, and for all other purposes, the Company is authorised to issue up to 33,334 bonus fully paid ordinary shares in the capital of the Company to Kenneth Graeme Chapple, and otherwise on the terms and conditions contained in this Notice of meeting.”

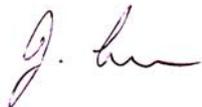
11. ISSUE OF BONUS SHARES TO DIRECTOR JAMES DESMOND COLLINS-TAYLOR

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

“That for the purposes of ASX Listing Rule 10.11, and for all other purposes, the Company is authorised to issue up to 33,334 bonus fully paid ordinary shares in the capital of the Company to James Desmond Collins-Taylor, and otherwise on the terms and conditions contained in this Notice of meeting.”

BY ORDER OF THE BOARD

GOLD AURA LIMITED



John Lemon
Company Secretary

26 August 2008

GOLD AURA LIMITED
ABN 75 067 519 779

NOTICE OF GENERAL MEETING

EXPLANATORY MEMORANDUM

INTRODUCTION

This Explanatory Memorandum is provided to shareholders of Gold Aura Limited (“the Company”) to explain the background to and implications of the resolutions proposed to be passed at, and procedural matters concerning, the General Meeting of Shareholders of the Company to be held at 11.00 am on Thursday, 25 September 2008. Terms used in this Explanatory Memorandum are defined in Section 16.

1. AGENDA ITEM 1 - RATIFICATION OF ISSUE OF 12,500,000 SHARES TO MARTIN PLACE SECURITIES CLIENTS

- 1.1 Subject to a number of exceptions, ASX Listing Rule 7.1 provides that a company must not issue equity securities without shareholder approval if the number of securities issued would, of itself or when added to the number of other equity securities issued by the company in the previous 12 months, exceed 15% of the number of ordinary shares of the Company on issue at the commencement of the 12 month period. ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of securities after the fact (provided the issue did not breach the 15% limit) so that the securities which were issued are regarded as having been issued with shareholder approval for the purpose of Listing Rule 7.1.
- 1.2 The Company entered into an agreement (“the MPS Agreement”) dated 22 February 2008 with Australian Financial Services Licensee Martin Place Securities Pty Ltd (“MPS”) pursuant to which MPS agreed to assist the Company to raise up to \$500,000 through the issue of shares to clients of MPS. Accordingly, the proposed resolution in Agenda item 1 is seeking approval for the issue of 12,500,000 shares which were issued during the period 19 March 2008 – 4 August 2008 (without Shareholder approval) to various clients of MPS. The issue of these shares was within the 15% limit permitted by ASX Listing Rule 7.1. Nevertheless, the Company is requesting that Shareholders ratify the issue of the shares for the purpose of ASX Listing Rule 7.4.2 so that the Company will have the flexibility to issue further securities under ASX Listing Rule 7.1 if the need or opportunity arises.
- 1.3 As required by ASX Listing Rule 7.5, the following information is provided:
- (i) 12,500,000 shares were issued.
 - (ii) The shares were issued at \$0.04 (4 cents) each for a total of \$500,000.
 - (iii) The shares are fully paid ordinary shares and are subject to the same rights and obligations and rank equally with all other shares in the capital of the Company.
 - (iv) The shares were issued to various clients of Australian Financial Services Licensee Martin Place Securities Pty Ltd.
 - (v) The funds raised from the issue of the shares have been and will be used to fund the exploration and development of the Company’s Croydon Project and for working capital generally.
 - (vi) **Voting Exclusion Statement**
As required by the ASX Listing Rules, the Company will disregard any votes cast on this resolution by:
 - any person who participated in the issue; and
 - an associate (as defined in the ASX Listing Rules) of a person who participated in the issue.However, the Company need 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.
- 1.4 The Company’s directors recommend that Shareholders vote in favour of the proposed resolution.

2. AGENDA ITEM 2 – RATIFICATION OF ISSUE OF 625,000 SHARES TO AUSTOCK NOMINEES PTY LTD

- 2.1 Please see Section 1.1 (above) for details of ASX Listing Rule 7.1. The proposed resolution in Agenda item 2 is seeking approval for the issue of 625,000 shares which were issued on 20 May 2008 (without Shareholder approval) to Austock Nominees Pty Ltd. The issue of these shares was within the 15% limit permitted by ASX Listing Rule 7.1. Nevertheless, the Company is requesting Shareholders ratify the issue of the shares for the purpose of ASX Listing Rule 7.4 so that the Company will have the flexibility to issue further securities under ASX Listing Rule 7.1 if the need or opportunity arises.
- 2.2 As required by ASX Listing Rule 7.5, the following information is provided:
- (i) 625,000 shares were issued.
 - (ii) The shares were issued at \$0.04 (4 cents) each for a total of \$25,000.
 - (iii) The shares are fully paid ordinary shares and are subject to the same rights and obligations and rank equally with all other shares in the capital of the Company.
 - (iv) The shares were issued to Austock Nominees Pty Ltd.
 - (v) The funds raised from the issue of the shares have been used to fund the exploration and development of the Company's Croydon Project and for working capital generally.
 - (vi) **Voting Exclusion Statement**
As required by the ASX Listing Rules, the Company will disregard any votes cast on this resolution by:
 - Austock Nominees Pty Ltd; and
 - an associate (as defined in the ASX Listing Rules) of Austock Nominees Pty Ltd.However, the Company need 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.
- 2.3 The Company's directors recommend that Shareholders vote in favour of the proposed resolution.

3. AGENDA ITEM 3 – RATIFICATION OF ISSUE OF 1,300,000 SHARES TO BRENT STUART BROSSEUK

- 3.1 On 11 August 2008 the Company purchased from Brent Stuart Brosseuk certain accommodation units for use by the Company in carrying out exploration activities at the Company's Croydon Project in North Queensland. As partial consideration for the sale by Mr Brosseuk of the units the Company issued 1,300,000 fully paid ordinary shares in the capital of the Company to Mr Brosseuk on 15 August 2008. The shares were issued on the basis that the accommodation units had a value of A\$52,000, and the Company had recently completed a placement to various clients of Australian Financial Services Licensee Martin Place Securities Pty Ltd at \$0.04 (4 cents) per share (see Section 1.2 (above)). Therefore the equivalent value of the accommodation units was deemed to be 1,300,000 shares. The Company's Directors are of the view that the issue of shares in lieu of cash for the accommodation units enabled the Company to conserve cash while acquiring a valuable asset.
- 3.2 Please see Section 1.1 (above) for details of ASX Listing Rule 7.1. The proposed resolution in agenda item 3 is seeking approval for the issue of 1,300,000 shares which were issued on 15 August 2008 (without Shareholder approval) to Brent Stuart Brosseuk. The issue of these shares was within the 15% limit permitted by ASX Listing Rule 7.1. Nevertheless, the Company is requesting Shareholders ratify the issue of the shares for the purpose of ASX Listing Rule 7.4 so that the Company will have the flexibility to issue further securities under ASX Listing Rule 7.1 if the need or opportunity arises.

3.3 As required by ASX Listing Rule 7.5, the following information is provided:

- (i) 1,300,000 shares were issued.
- (ii) The shares were issued for no cash consideration, the consideration for their issue being the sale of accommodation units to the Company.
- (iii) The shares are fully paid ordinary shares and are subject to the same rights and obligations and rank equally with all other shares in the capital of the Company.
- (iv) The shares were issued to Brent Stuart Brosseuk.
- (v) No funds were raised from the issue of the shares.
- (vi) **Voting Exclusion Statement**

As required by the ASX Listing Rules, the Company will disregard any votes cast on this resolution by:

- Brent Stuart Brosseuk; and
- an associate (as defined in the ASX Listing Rules) of Brent Stuart Brosseuk.

However, the Company need 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.

3.4 The Company's directors recommend that Shareholders vote in favour of the proposed resolution.

4. AGENDA ITEM 4 - ISSUE OF 6,250,000 OPTIONS TO MARTIN PLACE SECURITIES CLIENTS

4.1 Subject to a number of exceptions, ASX Listing Rule 7.1 provides that a company must not issue equity securities (including options) without shareholder approval if the number of securities issued would, of itself or when added to the number of other equity securities issued by the company in the previous 12 months, exceed 15% of the number of ordinary shares of the company on issue at the commencement of the 12 month period.

4.2 It is a term of the MPS Agreement (referred to in Section 1.2 (above)) that for every two shares issued by the Company to the various clients of MPS, the Company would seek shareholder approval for the issue of one option (ASX Code: "GOAO") to each of the MPS clients.

4.3 For the purposes of ASX Listing Rule 7.1, the Company seeks Shareholder approval for the issue of 6,250,000 options to the various clients of MPS so that the options will not count towards the 15% issue limit.

4.4 As required by ASX Listing Rule 7.3 the following information is provided:

- (i) The maximum number of options to be issued by the Company if the resolution in Agenda item 4 is approved is 6,250,000.
- (ii) The Company will issue the options as soon as practical after the Meeting, but in any event not later than 3 months after the date of the Meeting.
- (iii) No price will be payable for the issue of the options, the options being free attaching options.
- (iv) The allottees of the options will be the various clients of MPS who were issued 12,500,000 shares as referred to in Section 1.2 (above). Each allottee will receive one option for every two shares subscribed for.
- (v) The options will be exercisable on or before 31 March 2009 at a cost of \$0.13 (13 cents) per option. The options will be quoted on ASX, and will be subject to the same terms as the Company's options quoted on ASX under ASX code "GOAO. The terms of the options are otherwise as follows:
 - the options are options to subscribe for ordinary shares in the capital of the Company;
 - shares issued on exercise of the options will rank pari passu with all existing ordinary shares of the Company from the date of issue;
 - the options may be exercised wholly or in part by notice in writing to the Company received at any time on or before 31 March 2009 together with payment for the exercise price and the options certificate (if any) for those options for cancellation by the Company;

- the Company will allot the number of shares the subject of any exercise notice, and apply at its cost for listing of the shares so allotted;
- the option holder will be permitted to participate in new issues of securities of the Company on the prior exercise of the options, in which case the holder of the options will be afforded the period of at least 14 days notice prior to and inclusive of the books closing date (to determine entitlements to the issue) to exercise the options;
- in the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - the number of options, the exercise price of the options, or both will be reconstructed (as appropriate) in a manner consistent with the ASX Listing Rules, but with the intention that such reconstruction will not result in any benefits being conferred on the holders of the options which are not conferred on Shareholders; and
 - subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the options will remain unchanged;
- if there is a pro rata issue (except a bonus issue), the exercise price of an option may be reduced according to the following formula:

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

Where:

- O^n = the new exercise price of the option;
 - O = the old exercise price of the option;
 - E = the number of underlying securities into which one option is exercisable;
 - P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;
 - S = the subscription price for a security under the pro rata issue;
 - D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);
 - N = the number of securities with rights or entitlements that must be held to receive a right to one new security.
- if there is a bonus issue to the holders of shares in the Company, the number of shares over which the option is exercisable may 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 terms of the options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, the terms of the options shall not be changed to reduce the exercise price, increase the number of options or change any period for exercise of the options.

(vi) No funds will be raised by the issue of the options.

(vii) **Voting Exclusion Statement**

As required by the ASX Listing Rules, the Company will disregard any votes cast on this resolution by:

- the proposed recipients of the options ; and
- an associate (as defined in the ASX Listing Rules) of any of those persons.

However, the Company need 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.

4.5 The Company's directors recommend that Shareholders vote in favour of the proposed resolution.

5. AGENDA ITEM 5 – ISSUE OF 312,500 OPTIONS TO AUSTOCK NOMINEES PTY LTD

- 5.1 As referred to above (see Section 2.1) the Company issued 625,000 shares to Austock Nominees Pty Ltd (“Austock”) on 20 May 2008 under a placement to raise \$25,000. It was a condition of the issue of the shares to Austock that the Company also, subject to Shareholder approval, issue to Austock one option (ASX Code: “GOAO”) for every two shares issued to Austock, a total of 312,500 options.
- 5.2 For the purposes of ASX Listing Rule 7.1, the Company seeks shareholder approval for the issue of the 312,500 options to Austock so that the options will not count towards the 15% issue limit. (Please see Section 4.1 (above) for information about ASX Listing Rule 7.1).
- 5.3 As required by ASX Listing Rule 7.3 the following information is provided:
- (i) The maximum number of options to be issued by the Company if the resolution in Agenda item 5 is approved is 312,500.
 - (ii) The Company will issue the options as soon as practical after the Meeting, but in any event not later than 3 months after the date of the Meeting.
 - (iii) No price will be payable for the issue of the options, the options being free attaching options.
 - (iv) The allottee of the options will be Austock Nominees Pty Ltd.
 - (v) The terms of the options will be the same as the option terms set out in Section 4.4(v) (above).
 - (vi) No funds will be raised by the issue of the options.
 - (vii) **Voting Exclusion Statement**
As required by the ASX Listing Rules, the Company will disregard any votes cast on this resolution by:
 - Austock Nominees Pty Ltd; and
 - an associate (as defined in the ASX Listing Rules) of Austock Nominees Pty Ltd.
- However, the Company need 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.
- 5.4 The Company’s directors recommend that Shareholders vote in favour of the proposed resolution.

6. AGENDA ITEM 6 - ISSUE OF 650,000 OPTIONS TO BRENT STUART BRO SSEUK

- 6.1 As referred to above (see Section 3.1) the Company issued 1,300,000 shares to Brent Stuart Brosseuk on 15 August 2008 under a contract pursuant to which the Company purchased certain accommodation units from Mr Brosseuk. It is a condition of the said contract that the Company also, subject to Shareholder approval, issue to Mr Brosseuk 650,000 options (ASX Code: “GOAO”).
- 6.2 For the purposes of ASX Listing Rule 7.1, the Company seeks shareholder approval for the issue of the 650,000 options to Mr Brosseuk so that the options will not count towards the 15% issue limit. (Please see Section 4.1 (above) for information about ASX Listing Rule 7.1).
- 6.3 As required by ASX Listing Rule 7.3 the following information is provided:
- (i) The maximum number of options to be issued by the Company if the resolution in Agenda item 6 is approved is 650,000.
 - (ii) The Company will issue and allot the options as soon as practical after the Meeting, but in any event not later than 3 months after the date of the Meeting.
 - (iii) No price will be payable for the issue of the options, the issue of the options being partial consideration for the sale of accommodation units to the Company.
 - (iv) The allottee of the options will be Brent Stuart Brosseuk.
 - (v) The terms of the options will be the same as the option terms set out in Section 4.4(v) (above).
 - (vi) No funds will be raised by the issue of the options.

(vii) **Voting Exclusion Statement**

As required by the ASX Listing Rules, the Company will disregard any votes cast on this resolution by:

- Brent Stuart Brosseuk; and
- an associate (as defined in the ASX Listing Rules) of Brent Stuart Brosseuk.

However, the Company need 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.

6.4 The Company's directors recommend that Shareholders vote in favour of the resolution.

7. AGENDA ITEM 7 - ISSUE OF 2,000,000 OPTIONS TO GREGORY BARRY STARR

7.1 Shareholder approval is sought in Agenda item 7 for the issue of 2,000,000 options to the Company's Chairman of Directors, Mr Gregory Barry Starr.

7.2 The Company and Mr Starr entered into a written contract dated 18 February 2008 ("the Engagement Contract") pursuant to which the Company appointed Mr Starr as a director of the Company and chairman of the Company's Board of Directors. Mr Starr commenced as a director of the Company and Chairman of the Company's Board of Directors on 19 February 2008.

7.3 The Engagement Contract provides that, subject to Shareholder approval being obtained, the Company will issue to Mr Starr as partial consideration for his accepting appointment as the Company's Chairman of Directors, 2,000,000 options to subscribe for shares in the capital of the Company. The 2,000,000 options are to vest in three tranches, as follows:

- (i) the first tranche of 666,667 options will vest on the first anniversary of Mr Starr's appointment as Chairman, i.e. on 19 February 2009;
- (ii) the second tranche of 666,667 options will vest on the second anniversary of Mr Starr's appointment as Chairman, i.e. on 19 February 2010; and
- (iii) the third tranche of 666,666 options will vest on the third anniversary of Mr Starr's appointment as Chairman, i.e. on 19 February 2011.

7.4 ASX Listing Rule 10.11 provides that an ASX-listed company must not issue or agree to issue "equity securities" (including options) to a director of the company without the approval of the Company's holders of ordinary shares. The notice of the meeting to obtain shareholders' approval must comply with Listing Rule 10.13. Therefore, as required by Listing Rule 10.13, the following information is provided:

- (i) The name of the proposed issuee is Gregory Barry Starr.
- (ii) The maximum number of options to be issued is 2,000,000.
- (iii) The Company will issue the options as soon as possible after the Meeting, but no later than one month after the date of the Meeting.
- (iv) The options will be issued for no cash consideration, the consideration for their issue being Mr Starr's acceptance of the appointment as Chairman of the Company's Board of Directors. The terms of issue of the options are as described in Section 7.3 (above), and also as follows:
 - the options will be exercisable on or before 1 April 2013 at a cost of \$0.04 (4 cents) per option;
 - the options will not be quoted on ASX;
 - the options are options to subscribe for ordinary shares in the capital of the Company;
 - shares issued on exercise of the options will rank pari passu with all existing ordinary shares of the Company from the date of issue;
 - the options may be exercised wholly or in part by notice in writing to the Company received at any time on or before 1 April 2013 together with payment for the exercise price and the options certificate (if any) for those options for cancellation by the Company;
 - the Company will allot the number of shares the subject of any exercise notice, and apply at its cost for listing of the shares so allotted;

- the option holder will be permitted to participate in new issues of securities of the Company on the prior exercise of the options, in which case the holder of the options will be afforded the period of at least 14 days notice prior to and inclusive of the books closing date (to determine entitlements to the issue) to exercise the options;
- in the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - the number of options, the exercise price of the options, or both will be reconstructed (as appropriate) in a manner consistent with the ASX Listing Rules, but with the intention that such reconstruction will not result in any benefits being conferred on the holders of the options which are not conferred on Shareholders; and
 - subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the options will remain unchanged;
- if there is a pro rata issue (except a bonus issue), the exercise price of an option may be reduced according to the following formula:

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

Where:

- O^n = the new exercise price of the option;
 - O = the old exercise price of the option;
 - E = the number of underlying securities into which one option is exercisable;
 - P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;
 - S = the subscription price for a security under the pro rata issue;
 - D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);
 - N = the number of securities with rights or entitlements that must be held to receive a right to one new security.
- if there is a bonus issue to the holders of shares in the Company, the number of shares over which the option is exercisable may 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 terms of the options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, the terms of the options shall not be changed to reduce the exercise price, increase the number of options or change any period for exercise of the options.

(v) **Voting Exclusion Statement**

As required by the ASX Listing Rules the Company will disregard any votes cast on this resolution by:

- Gregory Barry Starr; and
- an associate (as defined in the ASX Listing Rules) of Gregory Barry Starr.

However, the Company need 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.

(vi) No funds will be raised by the issue of the options.

7.5 If approval is given under ASX Listing Rule 10.11, approval is not required under Listing Rule 7.1 (please see Section 4.1 (above) for details of ASX Listing Rule 7.1).

Chapter 2E Corporations Act 2001 (Cwth)

7.6 Chapter 2E of the *Corporations Act 2001 (Cwth)* prohibits a public company from giving a financial benefit to a related party of the public company unless the benefit falls within one of the various exceptions to the general prohibition. One of the exceptions includes where the company first obtains the approval of its shareholders in general meeting in circumstances where the requirements of Chapter 2E in relation to the convening of that meeting have been met.

7.7 A “related party” for the purposes of the *Corporations Act* is widely defined and includes a director of the public company.

7.8 A “financial benefit” for the purposes of the *Corporations Act* has a very wide meaning and includes the public company issuing securities to the related party.

7.9 The resolution proposed in Agenda item 7, if passed, will confer a financial benefit on Mr Starr, and the Company therefore seeks to obtain member approval in accordance with the requirements of Chapter 2E *Corporations Act*. For this reason and for all other purposes the following information is provided to Shareholders.

a. **Related parties**

The related party to whom the proposed resolution in Agenda item 7 would permit the financial benefit to be given is Mr Gregory Starr, the Company’s Chairman of Directors.

b. **The nature of the financial benefit**

The nature of the proposed financial benefit to be given is:

- (i) the grant of 2,000,000 options to Mr Starr;
- (ii) the options shall be granted for no cash consideration; and
- (iii) the options shall be exercisable into Shares on the terms set out above.

c. **Directors’ Recommendation**

Mr Starr expresses no opinion and makes no recommendation in respect of the resolution. The Company’s other directors recommend that Shareholders approve the resolution proposed in Agenda item 7 for the following reasons:

- (i) the Company’s directors believe Mr Starr is a good choice for appointment as the Company’s Chairman of Directors and the grant of the options as proposed to Mr Starr was viewed as reasonably necessary by the Company’s Board of Directors to retain Mr Starr’s services as the Company’s Chairman of Directors;
- (ii) if Shareholder approval is not received for the grant of the options to Mr Starr he may decide not to continue as the Company’s Chairman of Directors;
- (iii) as the options vest in tranches over time they are not immediately exercisable and their exercise is conditional on Mr Starr continuing to serve the Company as Chairman of Directors.

d. **Directors’ Interests**

Of the Company’s directors only Mr Starr has a material personal interest in the outcome of Agenda Item 7 as it is proposed that options be granted to him as set out in Agenda item 7. Mr Starr does not have a direct or indirect interest in shares and/or options in the Company, other than the right to have options issued to him under his contract with the Company as described in paragraph 7.3 (above). If all of the options are granted to Mr Starr and exercised by him, the following will be the effect on his holdings in the Company:

No. of Company’s Shares in which Mr Starr currently holds Interest	% of Total Shares on Issue (1)	No. of Shares in which Mr Starr holds interest if exercises options proposed to be granted	% of Total Shares on Issue following exercise of options proposed to be granted (2)
Nil	-	2,000,000	1.29

(1) “Total Shares on Issue” is the number of Shares which will be on issue assuming the issue of 2,500,000 shares as referred to in Agenda item 8 and 8,624,993 Shares as referred to in Agenda

item 9, namely 154,874,889 Shares. The calculation is based on the assumption that none of the Company's options on issue as at the date of this Notice of Meeting are exercised.

(2) The calculation is based on the same assumption as in footnote (1) (above).

e. **Other information that is reasonable required by Shareholders to make a decision and that is known to the Company or any of its Directors**

There is no other information known to the Company or any of its directors save and except as follows:

(i) **Current Remuneration**

Mr Starr, as Chairman of Directors, currently receives a base salary of \$40,000 per annum. In addition, Mr Starr receives \$2,500 per day or pro rata for part thereof for work done by him for the Company over and above his duties as Chairman of the Company's Board of Directors.

(ii) **Dilution**

If Shareholders approve the issue of options to Mr Starr, and all of the options issued to him are exercised, the effect will be to dilute the shareholding of existing Shareholders by approximately 1.29% based on the number of shares on issue referred to in the capital structure table in Section 7.9(d) (above). Until the options are exercised, the issue of the options will not impact upon the number of ordinary shares on issue in the Company. To the extent that upon their exercise the dilutionary impact caused by the issue of shares will be detrimental to the Company, the Company's Directors consider that this is more than offset by the advantages accruing to the Company through the retention of the services of Mr Starr on appropriate incentive terms.

(iii) **Valuation of the Options**

The Company's adviser has valued the options to be granted to Mr Starr using the Black-Scholes Pricing Model ("Black-Scholes Model"), which is a recognized model for pricing options, as at 15 August 2008. The value of an option calculated by the Black-Scholes Model is a function of a number of variables. The Company's adviser's assessment of the value of the options to be granted to Mr Starr has been prepared using the following assumptions:

Input	Value
Grant Date (proposed)	25 September 2008
Share Price	\$0.03
Exercise Price	\$0.04
Risk Free Rate	6.57%
Volatility*	74.42%
Expiry Date	1 April 2013

Based on the above assumptions and comments, the value of each option is \$0.017632. The total value of the options to be granted to Mr Starr is \$35,264.

The above valuation does not necessarily represent the market value of the options or the tax value for taxation purposes to the option holder. The future value of the options may be up or down on the value noted above as it will primarily depend on the future value of a Share, and the time to expiry of the options.

(iv) **ASX Best Practice Recommendations**

The Board recognises that the grant of options to Mr Starr as a non-executive director would be contrary to the guidelines in Recommendation 8.2 of the ASX Corporate Governance Council's Principles and Recommendations. However, each Director (with Mr Starr abstaining) recommends that Shareholders vote in favour of the resolution for the reasons set out in Section 7.9(c) (above). In addition, the Directors note that:

- the issue of options as part of the remuneration packages of executive and non-executive directors is an established practice of junior public listed companies, and provides those companies with a means of conserving cash whilst properly rewarding directors; and

- Mr Starr will receive none of the non-cash benefits such as superannuation contributions or equity which are approved in Recommendation 8.2.
- (v) **Taxation Consequences**
Accounting Standard AASB 2 “Share Based Payments” requires that the options be measured at an estimate of their fair value. This amount will be expensed in the Company’s Income Statement when the options vest. There will be no significant tax consequences for the Company arising out of the issue of the options.
- (vi) **Market Price of the Company’s Shares on the ASX**
The highest, lowest and last trading prices of the Company’s shares on ASX during the last 12 months are set out below:

	Date	Price
Highest	27 November 2007	\$0.098
Lowest	25 August 2008	\$0.023
Last	25 August 2008	\$0.023

7.10 The Company’s directors (with Mr Starr abstaining) recommend that Shareholders vote in favour of the proposed resolution.

8. AGENDA ITEM 8 – ISSUE OF 2,500,000 SHARES AND 1,250,000 OPTIONS TO GREGORY BARRY STARR

- 8.1 The Company entered into a written agreement dated 18 February 2008 with Gregory Barry Starr (“the GS Agreement”) pursuant to which the Company agreed, subject to Shareholder approval, to issue to Mr Starr:
- (i) 2,500,000 shares in the capital of the Company at an issue price of \$0.04 (4 cents) per share; and
 - (ii) 1,250,000 free attaching options to subscribe for fully paid ordinary shares in the capital of the Company, exercisable at \$0.13 (13 cents) per option on or before 31 March 2009.

The GS Agreement provided that the terms of issue of the shares and options to Mr Starr were to be the same as the terms of issue of the shares and options to be issued to clients of Martin Place Securities as referred to in Sections 1.2 and 4.3 (above).

- 8.2 ASX Listing Rule 10.11 provides that an ASX-listed company must not issue or agree to issue “equity securities” (including shares and options) to a director of the company without the approval of the Company’s holders of ordinary shares. The notice of the meeting to obtain shareholders’ approval must comply with Listing Rule 10.13. Therefore, as required by Listing Rule 10.13, the following information is provided:
- (i) The name of the proposed issuee is Gregory Barry Starr, who is the Company’s Chairman of Directors.
 - (ii) The maximum number of shares and options to be issued is 2,500,000 and 1,250,000 respectively.
 - (iii) The Company will issue the shares and options as soon as possible after the Meeting, but no later than one month after the date of the Meeting.
 - (iv) The shares will be issued for \$0.04 (4 cents) per share. The shares are fully paid ordinary shares and are subject to the same rights and obligations and will rank equally with all other existing shares in the capital of the Company. The options will be issued for no cash consideration. The terms of issue of the options are as described in Section 4.4(v) (above).
 - (v) \$100,000 will be raised by the issue of the shares. No funds will be raised by the issue of the options.

(vi) Voting Exclusion Statement

As required by the ASX Listing Rules the Company will disregard any votes cast on this resolution by:

- Gregory Barry Starr ; and
- an associate (as defined in the ASX Listing Rules) of Gregory Barry Starr.

However, the Company need 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.

8.3 If approval is given under ASX Listing Rule 10.11, approval is not required under Listing Rule 7.1 (please see Section 4.1 (above) for details of ASX Listing Rule 7.1).

Chapter 2E Corporations Act 2001 (Cwth)

8.4 For details of Chapter 2E please see Sections 7.6 – 7.8 (above).

8.5 The resolution proposed in Agenda item 8, if passed, will confer a financial benefit on Mr Starr, and the Company therefore seeks to obtain member approval in accordance with the requirements of Chapter 2E *Corporations Act*. For this reason and for all other purposes the following information is provided to Shareholders.

a. Related parties

The related party to whom the proposed resolution in Agenda item 8 would permit the financial benefit to be given is Mr Gregory Starr, the Company's Chairman of Directors.

b. The nature of the financial benefit

The nature of the proposed financial benefit to be given is:

- (i) the issue of 2,500,000 shares to Mr Starr;
- (ii) the issue of 1,250,000 options to Mr Starr for no cash consideration; and
- (iii) the options shall be exercisable into Shares on the terms set out above.

c. Directors' Recommendation

Mr Starr expresses no opinion and makes no recommendation in respect of the resolution. The Company's other directors recommend that Shareholders approve the resolution proposed in Agenda item 8 for the following reasons:

- (i) the issue of shares and options to Mr Starr is on the same terms and conditions as the placement to other investors in the Company as referred to in Sections 1.2 and 4.3; and
- (ii) the issue to Mr. Starr of the shares will raise \$100,000 for the Company which will assist the Company to finance its operations.

d. Directors' Interests

Of the Company's directors, only Mr Starr has a material personal interest in the outcome of Agenda Item 8 as it is proposed that shares and options be issued to him as set out in Agenda item 8. Mr Starr does not have a direct or indirect interest in shares and/or options in the Company, other than the right to have options issued to him under his contract with the Company as described in Section 7.3 (above). If all of the shares and options are issued to Mr Starr and the options exercised by him, the following will be the effect on his holdings in the Company:

No. of Company's Shares in which Mr Starr currently holds Interest	% of Total Shares on Issue (1)	No. of Shares in which Mr Starr holds interest if exercises options proposed to be granted (2)	% of Total Shares on Issue following exercise of options proposed to be granted (3)
Nil	-	5,750,000	3.63

(1) "Total Shares on Issue" is the number of Shares which will be on issue assuming the issue of 2,500,000 shares as referred to in Agenda item 8 and 8,624,993 shares as referred to in Agenda item 9, namely 154,874,889 shares. The calculation is based on the assumption that none of the Company's options on issue as at the date of this Notice of Meeting are exercised.

- (2) This assumes Mr Starr is also issued and exercises the options referred to in Agenda item 7.
 (3) The calculation is based on the same assumptions as in footnotes (1) & (2) (above).

e. **Other information that is reasonable required by Shareholders to make a decision and that is known to the Company or any of its Directors**

There is no other information known to the Company or any of its directors save and except as follows:

(i) **Current Remuneration**

Mr Starr, as Chairman of Directors, currently receives a base salary of \$40,000 per annum. In addition Mr Starr receives \$2,500 per day or pro rata for part thereof for work done by him for the Company over and above his duties as Chairman of the Company's Board of Directors.

(ii) **Dilution**

If Shareholders approve the issue of shares and options to Mr Starr, and all of the options issued to him are exercised, the effect will be to dilute the shareholding of existing Shareholders by approximately 3.63% based on the number of shares on issue as at the date of this Notice (see the capital structure table in Section 8.5(d) (above)). Until the options are exercised, the issue of the options will not impact upon the number of ordinary shares on issue in the Company. To the extent that upon their exercise the dilutionary impact caused by the issue of shares will be detrimental to the Company, the Company's Directors consider that this is more than offset by the advantages accruing to the Company through receiving a cash injection of \$100,000 from Mr Starr.

(iii) **Valuation of the Options**

The Company's adviser has valued the options to be granted to Mr Starr using the Black-Scholes Pricing Model ("Black-Scholes Model"), which is a recognized model for pricing options, as at 15 August 2008. The value of an option calculated by the Black-Scholes Model is a function of a number of variables. The Company's adviser's assessment of the value of the options to be granted to Mr Starr has been prepared using the following assumptions:

Input	Value
Grant Date	25 September 2008
Share Price	\$0.03
Exercise Price	\$0.13
Risk Free Rate	6.57%
Volatility*	74.42%
Expiry Date	31 March 2009

Based on the above assumptions and comments, the value of each option is \$0.000185. The total value of the options to be granted to Mr Starr is \$231.25.

The above valuation does not necessarily represent the market value of the options or the tax value for taxation purposes to the option holder. The future value of the options may be up or down on the values noted above as it will primarily depend on the future value of a Share, and the time to expiry of the options.

(iv) **ASX Best Practice Recommendations**

The Board recognises that the grant of options to Mr Starr as a non-executive director would be contrary to the guidelines in Recommendation 8.2 of the ASX Corporate Governance Council's Principles and Recommendations. However, each Director (with Mr Starr abstaining) recommends that Shareholders vote in favour of the resolutions for the reasons set out in Section 8.5(c) (above). In addition, the Directors note that:

- the issue of options as part of the remuneration packages of executive and non-executive directors is an established practice of junior public listed companies, and provides those companies with a means of conserving cash whilst properly rewarding directors; and

- Mr Starr will receive none of the non-cash benefits such as superannuation contributions or equity which are approved in Recommendation 8.2.
- (v) **Taxation Consequences**
Accounting Standard AASB 2 “Share Based Payments” requires that the options be measured at an estimate of their fair value. This amount will be expensed in the Company’s Income Statement when the options vest. There will be no significant tax consequences for the Company arising out of the issue of the options.
- (vi) **Market Price of the Company’s Shares on the ASX**
The highest, lowest and last trading prices of the Company’s shares on ASX during the last 12 months are set out below:

	Date	Price
Highest	27 November 2008	\$0.098
Lowest	25 August 2008	\$0.023
Last	25 August 2008	\$0.023

- 8.6 The Company’s directors (with Mr Starr abstaining) recommend that Shareholders vote in favour of the resolution in Agenda item 8.

9. ISSUE OF UP TO 8,624,993 BONUS SHARES

- 9.1 By an offer dated 1 August 2008, the Company invited eligible shareholders to subscribe for shares in the Company under the Company’s Share Purchase Plan (“SPP”). The Company also announced that, subject to Shareholder approval, it would issue to each shareholder who participated in the SPP offer one share for each five Shares subscribed for by the Shareholder under the SPP offer.
- 9.2 The maximum number of shares which may be subscribed for under the Share Purchase Plan offer is 43,124,968. Therefore if 43,124,968 Shares are subscribed for the Company would, subject to Shareholder approval, issue 8,624,993 shares to participants under the Share Purchase Plan offer.
- 9.3 Please see Section 4.1 (above) for details of ASX Listing Rule 7.1. Although the number of bonus shares which may be issued, together with any other equity securities issued without Shareholder approval or under an exception to Listing Rule 7.1 in the 12 months to the date of the Meeting, is less than 15% of the Company’s ordinary shares on issue at the start of that 12 month period, the Company’s directors nevertheless consider it appropriate and desirable to maintain flexibility to manage the Company’s capital requirements by leaving as much of the 15% limit available as possible. Accordingly Shareholder approval is sought for the proposed issue of the bonus shares for the purpose of ASX Listing Rule 7.1.
- 9.4 As required by ASX Listing Rule 7.3 the following information is provided:
- (i) The maximum number of bonus shares the Company will issue is 8,624,993.
 - (ii) The Company will issue the bonus shares as soon as practical after the Meeting, but in any event not later than 3 months after the date of the Meeting.
 - (iii) The issue price of the bonus shares will be nil as the shares are bonus shares.
 - (iv) The allottees of the bonus shares will be all or any of the Shareholders who subscribe for shares under the Company’s Share Purchase Plan offer dated 1 August 2008.
 - (v) The bonus shares are fully paid ordinary shares. The bonus shares will be subject to the same rights and obligations and rank equally with all other existing shares in the capital of the Company.
 - (vi) There will be no funds raised from the issue of the bonus shares as they are issued for no consideration.

(vii) **Voting Exclusion Statement**

As required by the ASX Listing Rules the Company will disregard any votes cast on this resolution by:

- a 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 shares, if the resolution is passed; and
- an associate (as defined in the ASX Listing Rules) of that person.

However, the Company need 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.

9.5 The Company's directors (with Messrs Chapple and Collins-Taylor abstaining) recommend that shareholders vote in favour of the resolution.

10. ISSUE OF BONUS SHARES TO DIRECTOR KENNETH GRAEME CHAPPLE

10.1 Shareholder approval is sought in agenda item 10 for the issue of up to 33,334 bonus fully paid ordinary shares in the capital of the company to Mr Kenneth Chapple who is a director of the Company. Mr Chapple, in his capacity as a shareholder of the Company, has indicated his intention to participate in the Company's Share Purchas Plan offer dated 1 August. See Section 9.1 (above) for background.

10.2 ASX Listing Rule 10.11 provides that an ASX-listed company must not issue or agree to issue equity securities to a director of the company without the approval of the company's shareholders. The notice of the meeting to obtain shareholders' approval must comply with Listing Rule 10.13. Therefore, as required by Listing Rule 10.13, the following information is provided:

- (i) The person to whom the bonus shares are to be issued is Kenneth Graeme Chapple.
- (ii) The maximum number of bonus shares to be issued to Mr Chapple is 33,334.
- (iii) The Company will issue the bonus shares as soon as practical after the meeting, but in any event not later than 1 month after the date of the meeting.
- (iv) The issue price of the bonus shares will be nil. The bonus shares will be fully paid ordinary shares and will be subject to the same rights and obligations and rank equally with all other existing shares in the capital of the Company.

(v) **Voting Exclusion Statement**

As required by the ASX Listing Rules, the Company will disregard any votes cast on this resolution by:

- Kenneth Graeme Chapple; and
- an associate (as defined in the ASX Listing Rules) of Kenneth Graeme Chapple.

However, the Company need 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.

(vi) No funds will be raised by the issue of the bonus shares.

10.3 The Company's directors (with Mr Chapple abstaining) recommend that shareholders vote in favour of the resolution.

11. ISSUE OF BONUS SHARES TO DIRECTOR JAMES DESMOND COLLINS-TAYLOR

- 11.1 Shareholder approval is sought in agenda item 11 for the issue of up to 33,334 bonus fully paid ordinary shares in the capital of the company to Mr James Collins-Taylor who is a director of the Company. Mr Collins-Taylor, in his capacity as a shareholder of the Company, has indicated his intention to participate in the Company's Share Purchase Plan offer dated 1 August 2008. See Section 9.1 (above) for background.
- 11.2 ASX Listing Rule 10.11 provides that an ASX-listed company must not issue or agree to issue equity securities to a director of the company without the approval of the company's shareholders. The notice of the meeting to obtain shareholders' approval must comply with Listing Rule 10.13. Therefore, as required by Listing Rule 10.13, the following information is provided:
- (i) The person to whom the bonus shares are to be issued is James Desmond Collins-Taylor.
 - (ii) The maximum number of bonus shares to be issued to Mr Collins-Taylor is 33,334.
 - (iii) The Company will issue the bonus shares as soon as practical after the meeting, but in any event not later than 1 month after the date of the meeting.
 - (iv) The issue price of the bonus shares will be nil. The bonus shares will be fully paid ordinary shares and will be subject to the same rights and obligations and rank equally with all other existing shares in the capital of the Company.
 - (v) **Voting Exclusion Statement**
As required by the ASX Listing Rules the Company will disregard any votes cast on this resolution by:
 - James Desmond Collins-Taylor; and
 - an associate (as defined in the ASX Listing Rules) of James Desmond Collins-Taylor.However, the Company need 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.
- (v) No funds will be raised by the issue of the bonus shares.
- 11.3 The Company's directors (with Mr Collins-Taylor abstaining) recommend that shareholders vote in favour of the resolution.

12. VOTING RIGHTS

The Board has determined that all of the shares of the Company will be taken, for the purposes of determining the right of shareholders to attend and vote at the Meeting, to be held by the persons who are registered in the Company's register of shareholders at 7.00pm (Brisbane time) on 23 September 2008 as the owners of those shares. Therefore transfers registered after that time will be disregarded in determining shareholders entitled to attend and vote at the Meeting.

13. PROXIES

- 13.1 A Shareholder entitled to attend and vote at the Meeting may appoint:
- (i) one proxy if the Shareholder is only entitled to one vote at the meeting; or
 - (ii) one or two proxies if the Shareholder is entitled to more than one vote at the meeting,
- to attend and vote at the meeting for the Shareholder.
- 13.2 A Shareholder may appoint an individual person or a body corporate as the Shareholder's proxy.
- 13.3 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 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 provided to the Company.

- 13.4 A Shareholder who appoints two proxies may state on the Proxy Form what proportion or number of the Shareholder's votes each proxy may exercise. If a Shareholder appoints two proxies and does not specify the number or proportion of votes each proxy may exercise, each of the proxies may exercise half of the Shareholder's votes.
- 13.5 A proxy need not be a shareholder of the Company.
- 13.6 A Proxy Form is enclosed. If you wish to appoint a proxy or proxies you must complete the Proxy Form and deliver it to the Company, together with the power of attorney or other authority (if any) under which it is signed (or a certified copy), by no later than 10.00 am on 23 September 2008:
- (i) **by post:**
Gold Aura Limited
PO Box 728
Spring Hill, QLD 4004; or
 - (ii) **by delivery:**
Gold Aura Limited
Level 6
200 Creek Street
Brisbane, QLD; or
 - (iii) **by facsimile:**
(07) 3833 3888 (from within Australia)
(+617) 3833 3888 (from outside Australia)

14. CORPORATE REPRESENTATIVE

A Shareholder which is a body corporate may appoint an individual as the Shareholder's representative to attend and vote at the Meeting. The representative must bring the formal notice of appointment to the meeting, unless it has previously been provided to the Company.

15. OTHER INFORMATION

Queries in relation to the lodgement of proxies or other matters concerning the General Meeting may be directed to the Company Secretary (Telephone: (07) 3833 3833).

16. INTERPRETATION

In this notice of meeting the following expressions have the following meanings:

"ASX" means ASX Limited ABN 98 008 624 691.

"ASX Listing Rules" means the Official Listing Rules of ASX.

"Board" means the Directors of the Company acting as a board.

"Company" means Gold Aura Limited ABN 75 067 519 779.

"Corporations Act" means *Corporations Act 2001 (Cwth)*.

"Directors" means the Directors of the Company.

"Meeting" means the General Meeting of Shareholders convened for 25 September 2008 and any adjournment of that meeting.

"Section" means a section of this Explanatory Memorandum.

"Shares" means ordinary fully paid shares in the capital of the Company.

"Shareholder" means a shareholder of the Company.

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GOLD AURA LIMITED
ABN 75 067 519 779

Level 6, 200 Creek Street,
Brisbane, Queensland
Telephone: (07) 3833 3833
Fax: (07) 3833 3888

PROXY FORM

I/We _____

of _____

being a shareholder(s) of Gold Aura Limited ("the Company") and entitled to

_____ shares in the Company hereby appoint _____

of _____

or failing him/her _____

of _____

or failing him/her the Chairman as my/our proxy to vote for me/us and on my/our behalf at the general meeting of the Company to be held at Level 6, 200 Creek Street, Brisbane, Queensland on 25 September 2008 at 11.00 am (Brisbane time) and at any adjournment thereof in respect of _____ of my/our shares or, failing any number being specified, ALL of my/our shares in the Company.

If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is [] %. (The Company on request will supply an additional proxy form.)

If you wish to indicate how your proxy is to vote, please tick the appropriate boxes below.

If no directions are given, the Proxy may vote as the Proxy thinks fit or may abstain. By signing this appointment you acknowledge that the Proxy (whether voting in accordance with your directions or voting in their discretion under an undirected Proxy) may exercise your proxy even if he/she has an interest in the outcome of the resolution and even if votes cast by him/her other than as proxy holder will be disregarded because of that interest. However, if the Proxy you appoint is excluded from voting on a resolution and you do not direct the Proxy how to vote on that resolution, your vote will also be excluded.

The chairman of the meeting (Chairman of Directors, Mr Greg Starr) intends to vote undirected proxies in favour of all proposed resolutions.

If the chairman of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of Resolutions 7 ("Issue of 2,000,000 options to Gregory Barry Starr") and 8 ("Issue of 2,500,000 shares and 1,250,000 options to Gregory Barry Starr"), please place a mark in the box to the right.

By marking this box, you acknowledge that the chairman of the meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 7 and 8 and that votes cast by the chairman of the meeting for Resolutions 7 and 8 other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, the chairman will not cast your votes on Resolutions 7 and 8 and you votes will not be counted in calculating the required majority if a poll is called on each of Resolutions 7 and 8.

I/we direct my/our proxy to vote as indicated below:

RESOLUTION

	FOR	AGAINST	ABSTAIN
1. Ratification of issue of 12,500,000 shares to Martin Place Securities clients	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

RESOLUTION

	FOR	AGAINST	ABSTAIN
2. Ratification of issue of 625,000 shares to Austock Nominees Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification of issue of 1,300,000 shares to Brent Stuart Brosseuk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Issue of 6,250,000 options to Martin Place Securities clients	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Issue of 312,500 options to Austock Nominees Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Issue of 650,000 options to Brent Stuart Brosseuk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Issue of 2,000,000 options to Gregory Barry Starr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Issue of 2,500,000 shares and 1,250,000 options to Gregory Barry Starr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Issue of up to 8,624,993 bonus shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Issue of bonus shares to director Kenneth Graeme Chapple	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Issue of bonus shares to director James Desmond Collins-Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

As witness my/our hand/s this _____ day of _____ 2008

If a natural person:

SIGNED by _____)
_____)

in the presence of:

Witness

Name (Printed)

If a company:

EXECUTED by _____)
_____)
in accordance with its _____)
Constitution _____)

Director

Director/Secretary

Name (Printed)

Name (Printed)

If by power of attorney:

SIGNED for and on behalf of _____)
_____ by _____)
_____ under a Power of Attorney dated _____)
_____ and who declares that he/she has not received any _____)
revocation of such Power of Attorney in the presence of : _____)
_____)

Signature of Attorney

Signature of Witness

[N.B. After completing this proxy form, please deliver it to the Company's registered office in accordance with Section 13.6 of the Explanatory Memorandum in the accompanying Notice of General Meeting]