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**CONDOTO PLATINUM NL**

**ACN 131 213 824**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 11:00am  
**DATE:** 23 November 2012  
**PLACE:** Level 4, 66 Kings Park Road  
WEST PERTH WA 6005

An electronic copy of the Condoto Platinum NL 2012 Annual Report can be found at  
[www.condotoplatinum.com.au](http://www.condotoplatinum.com.au).

*This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.*

*Should you wish to discuss the matters in this Notice of Annual General Meeting please do not hesitate to contact the Company Secretary on +61 (0) 8 6141 3500.*

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**IMPORTANT INFORMATION**

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**TIME AND PLACE OF MEETING**

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Notice is given that the annual general meeting of the Shareholders to which this Notice of Annual General Meeting relates will be held at 11:00am on 23 November 2012 at Level 4, 66 Kings Park Road, West Perth WA.

**YOUR VOTE IS IMPORTANT**

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The business of the Annual General Meeting affects your shareholding and your vote is important.

**VOTING ELIGIBILITY**

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The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the annual general meeting are those who are registered Shareholders at 11:00am on 21 November 2012.

**VOTING IN PERSON**

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To vote in person, attend the Annual General Meeting at the time, date and place set out above.

**VOTING BY PROXY**

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of Condoto Platinum NL; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes is set out below.

***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- 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
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of Condoto Platinum NL members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

**DEFINED TERMS**

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Capitalised terms in this Notice of Annual General Meeting and Explanatory Statement are defined either in the “Glossary” Section or where the relevant term is first used.

**ASIC AND ASX**

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A final copy of this Notice of Annual General Meeting and Explanatory Statement has been lodged with ASIC and ASX. Neither ASIC, ASX nor any of their respective officers takes any responsibility for the contents of this document.

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

*“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s annual financial report for the financial year ended 30 June 2012.”*

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

#### **Voting Prohibition Statement:**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

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#### 2. RESOLUTION 2 – APPROVAL OF 10% PLACEMENT CAPACITY– SHARES

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

*“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the Shares on issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution 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 associates of those persons. 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.

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#### 3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR WILLIAM HAYDEN

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

*“ That, for all purposes, Mr William Hayden, a director of the Company who retires by rotation in accordance with clause 11.3 of the Constitution and, being eligible, is re-elected as a Director of the Company.”*

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**4. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – MR BRIAN THOMAS**

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

*“That, for all purposes, Mr Brian Thomas, a director of the Company who retires voluntarily, seeks re-elected as a Director of the Company.”*

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**5. RESOLUTION 5 – RE-ELECTION OF DIRECTOR – MR PHILIP O’NEILL**

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

*“That, for all purposes, Mr Philip O’Neill, a director of the Company who retires voluntarily, seeks re-elected as a Director of the Company.”*

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**6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES TO INSTITUTIONAL & SOPHISTICATED INVESTORS**

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 ASX Listing Rules and for all other purposes, Shareholders ratify the allotment and issue by the Company of 5,955,000 Shares at an issue price of \$0.70 per Share on the terms and conditions in the Explanatory Memorandum.”*

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**7. RESOLUTION 7 – GRANT OF OPTIONS TO MR WILLIAM HAYDEN**

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

*“That, for the purposes of Listing Rule 10.11 of the ASX Listing Rules and Section 208 of the Corporations Act and for all other purposes, approval is given for the Directors to grant to Mr William Hayden (or his nominee) 500,000 options to be issued on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** *The Company will disregard any votes cast on this Resolution by Mr Hayden (or his nominee) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form 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.*

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**8. RESOLUTION 8 – GRANT OF OPTIONS TO MR PHILIP O’NEILL**

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

*“That, for the purposes of Listing Rule 10.11 of the ASX Listing Rules and Section 208 of the Corporations Act and for all other purposes, approval is given for the Directors to grant to Mr Philip O’Neill (or his nominee) 1,000,000 options to be issued on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** *The Company will disregard any votes cast on this Resolution by Mr O’Neill (or his nominee) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form 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.*

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Dated: 23 October 2012

By Order of the Board  
Jay Stephenson  
**COMPANY SECRETARY**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

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### 1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 1.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2012.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

#### 1.2 Voting consequences

Under recent changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report in two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**) at the second annual general meeting.

If more than 50% of shareholders vote in favour of the Spill Resolution, the company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the Company's annual financial report for the financial year ended immediately before the second annual general meeting) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

#### 1.3 Proxy Restrictions

Shareholders appointing a proxy for Resolution 1 should note the following:

***If you appoint a member of the Key Management Personnel as your proxy***

If you elect to appoint a member of Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that member, ***you must direct the proxy how they are to vote***. Undirected proxies granted to these persons will not be included in any vote on Resolution 1.

***If you appoint the Chair as your proxy***

If you elect to appoint the Chair as your proxy, you ***do not*** need to direct the Chair how you wish them to exercise your vote on Resolution 1, however if you do not direct the Chair how to vote, ***you must tick the acknowledgement on the proxy form to acknowledge that the Chair may exercise their discretion in exercising your proxy even though Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel***.

***If you appoint any other person as your proxy***

You ***do not*** need to direct your proxy how to vote, and you ***do not*** need to tick any further acknowledgement on the proxy form.

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**2. RESOLUTION 2 – APPROVAL OF 10% PLACEMENT CAPACITY– SHARES**

**2.1 General**

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 2, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 2.2 below).

The effect of Resolution 2 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing.

Resolution 2 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 2 for it to be passed.

**2.2 ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$28,762,652.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of Equity Securities on issue, being the Shares (ASX Code: CPD).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;

(iii) plus the number of Shares issued in the previous 12 months under listing rules 7.1 and 7.4; and

(iv) less the number of Shares cancelled in the previous 12 months.

**D** is 10%.

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

### 2.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 2:

**(a) Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 2.2, the date on which the Equity Securities are issued.

**(b) Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).

**(10% Placement Capacity Period).**

**(c) Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 2 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.



Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.315 50% decrease in Issue Price	\$0.63 Issue Price	\$1.26 100% increase in Issue Price
50,155,004	<b>10% Voting Dilution</b>	5,015,500 Shares	5,015,500 Shares	5,015,500 Shares
<b>Current Variable A</b>	<b>Funds raised</b>	\$1,579,883	\$3,159,765	\$6,319,531
75,232,506	<b>10% Voting Dilution</b>	7,523,251 Shares	7,523,251 Shares	7,523,251 Shares
<b>(50% increase in current Variable A)</b>	<b>Funds raised</b>	\$2,369,824	\$4,739,648	\$9,479,296
100,310,008	<b>10% Voting Dilution</b>	10,031,001 Shares	10,031,001 Shares	10,031,001 Shares
<b>(100% increase in current Variable A)</b>	<b>Funds raised</b>	\$3,159,765	\$6,319,531	\$12,639,061

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

**The table above uses the following assumptions:**

1. The current shares on issue are the Shares on issue as at 10 October 2012.
2. The issue price set out above is the closing price of the Shares on the ASX on 10 October 2012.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

**(d) Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the continued development and exploration of the Condoto Platinum Project in Colombia.; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

(e) **Allocation under the 10% Placement Capacity**

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company has not previously obtained approval under ASX Listing Rule 7.1A.

## 2.4 **Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 2.

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## 3. **RESOLUTION 3,4 & 5 – RE-ELECTION OF DIRECTORS**

Clause 11.3 of the Constitution requires that one-third of all Directors (other than the Managing Director) must retire by rotation at an annual general meeting. A Director who retires under clause 11.3 of the Constitution is eligible for re-election.

Mr William Hayden retires in accordance with clause 11.3 of the Constitution and, being eligible, seeks re-election.

Mr Brian Thomas and Mr Philip O'Neill retire voluntarily and seek re-election.

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## 4. **RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE TO INSTITUTIONAL & SOPHISTICATED INVESTORS**

### 4.1 **General**

On 17 February 2012, the Company issued 5,955,000 Shares, at an issue price of \$0.70 per Share to new and existing Australian and international institutional and sophisticated investors.

The subscriber pursuant to this issue was not a related party of the Company.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Share Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such

as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

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

#### **4.2 Technical information required by ASX Listing Rule 7.4**

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

- (a) 5,955,000 Shares were allotted;
- (b) the issue price was \$0.70 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were allotted and issued to new and existing Australian and international institutional and sophisticated investors; and
- (e) the Company intends to use the funds raised for general working capital purposes.

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#### **5. RESOLUTIONS 7 AND 8 – GRANT OF OPTIONS TO MR WILLIAM HAYDEN AND MR PHILIP O'NEILL**

The Company has agreed, subject to obtaining Shareholders approval, to grant a total of 1,500,000 Options (**Director Options**) to Mr William Hayden and Mr Philip O'Neill (**Related Parties**) on the terms and conditions set out in Annexures A and B to this Explanatory Statement.

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

- a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party (or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained) unless an exception in ASX Listing Rule 10.12 applies.

The issue of the Director Options to the Related Parties requires the Company to obtain Shareholder approval because the grant of Director Options constitutes giving a financial benefit and as Directors, each of Mr Hayden and Mr O'Neill are related parties of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of the Director Options to each Related Party.

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

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

- a) the related parties are Mr Hayden and Mr O'Neill they are related parties by virtue of being Directors;

- b) the maximum number of Director Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is:
- i. 500,000 Director Options to Mr William Hayden; and
  - ii. 1,000,000 Director Options to Mr Philip O'Neill;
- c) the Director Options will be granted to the Related Parties no later than 1 month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Director Options will be issued on one date;
- d) the Director Options will be granted for nil cash consideration, accordingly no funds will be raised. Any funds raised on the exercise of the Director Options will be used for working capital purposes;
- e) the terms and conditions of the Director Options are set out in Annexures A and B;
- f) the value of the Director Options, and the pricing methodology is set out in Annexure C;
- g) the existing relevant interests of each of the Related Parties in securities of the Company are set out below:

Related Party	Shares	Options
William Hayden	0	2,000,000
Philip O'Neill	0	1,000,000
<b>Total</b>	<b>0</b>	<b>3,000,000</b>

- h) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year Remuneration	Previous Financial Year Remuneration
William Hayden	\$80,000	\$65,000
Philip O'Neill	\$80,000	\$65,000

- i) At present there are 50,155,004 fully paid Shares, 6,000,000 partly paid shares and 10,360,000 options on issue. If all of the Director Options granted to the Related Parties are exercised, a total of 1,500,000 additional Shares would be allotted and issued.

This will increase the number of Shares on issue from 50,155,004 to 51,655,004 (assuming that no other Options are exercised and no other Shares issued) with the effect that the shareholding of existing Shareholders would be diluted as follows:

Related Party	Issued Shares as at the date of this Notice of Meeting	Director Options to be issued	Total Issued Shares upon exercise of all Director Options	Dilutionary effect upon exercise of Director Options
William Hayden	50,155,004	500,000	51,655,004	1.00%
Philip O'Neill	50,155,004	1,000,000	51,655,004	1.99%
<b>Total</b>	<b>50,155,004</b>	<b>1,500,000</b>	<b>51,655,004</b>	<b>2.99%</b>

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

The Board resolved to issue the Director Options to Mr Hayden and Mr O'Neill, subject to Shareholder approval, on the terms and conditions set out in Annexures A for Mr Hayden and Annexure B for Mr O'Neill. The grant of the Director Options to Mr Hayden and Mr O'Neill is intended to align their interests with the Company and its Shareholders;

- j) the trading history of the Shares on the ASX in the 12 months before the date of this Notice of General Meeting is set out below:

	Price	Date
Lowest	\$0.46	18 July 2012
Highest	\$0.93	26 October 2011
Last	\$0.63	10 October 2011

- k) the primary purpose of the grant of Director Options to Mr Hayden is to provide a market linked incentive package in his capacity as a Director and for future performance by him in his role. The Board (other than Mr Hayden) considered the extensive experience and reputation of Mr Hayden within the industry when considering the grant of the Director Options to Mr Hayden. The Board considers the issue of the Director Options to Mr Hayden to be reasonable, given the necessity to attract the highest calibre of professionals to the Company whilst maintaining the Company's cash reserves. Other than as set out in this Explanatory Statement, the Board does not consider that there are any significant opportunity costs to the Company, taxation consequences, or benefits foregone by the Company in issuing the Director Options upon the terms proposed;
- l) the primary purpose of the grant of Director Options to Mr O'Neill is to provide a market linked incentive package in his capacity as a Director and for future performance by him in his role. The Board (other than Mr O'Neill) considered the extensive experience and reputation of Mr O'Neill within the industry when considering the grant of the Director Options to Mr O'Neill. The Board considers the issue of the Director Options to Mr O'Neill to be reasonable, given the necessity to attract the highest calibre of professionals to the Company whilst maintaining the Company's cash reserves. Other than as set out in this Explanatory Statement, the Board does not consider that there are any significant opportunity costs to the Company, taxation consequences, or benefits foregone by the Company in issuing the Director Options upon the terms proposed;
- m) The Board acknowledges that the grant of Director Options to the Directors is contrary to Recommendation 8.2 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the grant of Director Options to the Directors reasonable in the circumstances, given the necessity to attract the highest calibre of professional to the Company, whilst maintaining the Company's cash reserves.
- n) Mr Hayden declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material interest in the outcome of Resolution 7. The other Directors, who do not have a material interest in the outcome of Resolution 7, recommend that Shareholders vote in favour of Resolution 7. The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 7.
- o) Mr O'Neill declines to make a recommendation to Shareholders in relation to Resolution 8 due to his material interest in the outcome of Resolution 8. The other Directors, who do not have a material interest in the outcome of Resolution 8, recommend that Shareholders vote in favour of Resolution 8. The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 8.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Director Options to the Related Parties (and any issue of Shares on exercise of those Director Options) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

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**6. ENQUIRIES**

Shareholders are requested to contact Mr Jay Stephenson on (+ 61 8) 6141 3500 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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**\$** means Australian dollars.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**ASX Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of directors of Condoto Platinum NL.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

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

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

**Company** means Condoto Platinum NL (ACN 131 213 824).

**Constitution** means Condoto Platinum NL constitution.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Directors** means the current directors of Condoto Platinum NL.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**General Meeting** or **Meeting** means the meeting convened by the Notice.

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

**Notice** or **Notice of Annual General Meeting** or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement and the Proxy Form.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2012.

**Resolutions** means the resolutions set out in the Notice of Annual General Meeting, or any one of them, as the context requires.

**Share** means a fully paid ordinary share in the capital of Condoto Platinum NL.

**Shareholder** means a holder of a Share.

**WST** means Western Standard Time as observed in Perth, Western Australia.

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**ANNEXURE A – TERMS AND CONDITIONS OF DIRECTOR OPTIONS – MR WILLIAM HAYDEN**

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The Director Options to be issued to the Related Parties pursuant to Resolution 7 entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Director Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Director Option, the Optionholder must exercise the Director Options in accordance with the terms and conditions of the Director Options.
  - (b) The Director Options will expire at 5:00 pm (WST) on 31 October 2015 (**Expiry Date**). Any Director Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
  - (c) The amount payable upon exercise of the Director Options will be an exercise price equal to 110% of the ASX 5 day volume weighted average price per Condoto Platinum NL Share prior to the Meeting Date (**Exercise Price**).
  - (d) The Director Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
  - (e) An Optionholder may exercise their Director Options by lodging with the Company, before the Expiry Date:
    - (i) a written notice of exercise of Director Options specifying the number of Director Options being exercised; and
    - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Director Options being exercised;
- (Exercise Notice).**
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
  - (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Exercise Notice.
  - (h) The Director Options will vest 12 months after the issue date.
  - (i) The Director Options are not transferable.
  - (j) All Shares allotted upon the exercise of Director Options will upon allotment rank pari passu in all respects with other Shares.
  - (k) The Company will not apply for quotation of the Director Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Director Options on ASX within 10 Business Days after the date of allotment of those Shares.
  - (l) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
  - (m) There are no participating rights or entitlements inherent in the Director Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Director Options prior to the date for determining entitlements to participate in any such issue.
  - (n) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Director Options, the exercise price of the Director Options will be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.
  - (o) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issues of the Director Options, the number of securities over which a Director Option is exercisable may be increased by the number of securities which the Optionholder would have received if the Director Option had been exercised before the record date for the bonus issue.



The Director Options to be issued to the Related Parties pursuant to Resolution 8 entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Director Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Director Option, the Optionholder must exercise the Director Options in accordance with the terms and conditions of the Director Options.
  - (b) The Director Options will expire at 5:00 pm (WST) on 16 November 2015 (**Expiry Date**). Any Director Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
  - (c) The amount payable upon exercise is \$0.70 per Option (**Exercise Price**).
  - (d) The Director Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
  - (e) An Optionholder may exercise their Director Options by lodging with the Company, before the Expiry Date:
    - (i) a written notice of exercise of Director Options specifying the number of Director Options being exercised; and
    - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Director Options being exercised;
- (Exercise Notice).**
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
  - (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Exercise Notice.
  - (h) The Director Options will vest 12 months after the issue date.
  - (i) The Director Options are not transferable.
  - (j) All Shares allotted upon the exercise of Director Options will upon allotment rank pari passu in all respects with other Shares.
  - (k) The Company will not apply for quotation of the Director Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Director Options on ASX within 10 Business Days after the date of allotment of those Shares.
  - (l) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
  - (m) There are no participating rights or entitlements inherent in the Director Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Director Options prior to the date for determining entitlements to participate in any such issue.
  - (n) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Director Options, the exercise price of the Director Options will be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.
  - (o) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issues of the Director Options, the number of securities over which a Director Option is exercisable may be increased by the number of securities which the Optionholder would have received if the Director Option had been exercised before the record date for the bonus issue.

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**ANNEXURE C – VALUATION OF DIRECTOR OPTIONS**

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The Director Options to be issued to the Related Parties pursuant to Resolution 6, have been valued using the Black & Scholes option model.

Using the theoretical Black & Scholes option model and based on the assumptions set out below, the Director Options were ascribed a value range, as follows:

<b>Director</b>	<b>William Hayden</b>	<b>Philip O'Neill</b>
<b>Assumptions:</b>		
Valuation date	5 October 2012	5 October 2012
Market price of Shares	63 cents	63 cents
Exercise price	110% of ASX 5 day VWAP*	\$0.70
Expiry date	31 October 2015	16 November 2015
Risk free interest rate	2.40%	2.40%
Volatility	60.0%	60.0%
<b>Indicative value per Director Option</b>	25.04 cents	24.36 cents
<b>Total Value of Director Options</b>	\$125,200	\$243,600

\* The actual price of the Options will be determined on the Meeting date when it will be based on 110% of the ASX 5 day volume weighted average price per Condoto Platinum NL Share prior to the Meeting Date.

Note: The valuation ranges noted above are not necessarily the market prices that the Director Options could be traded at and they are not automatically the market prices for taxation purposes.

**PROXY FORM**

**APPOINTMENT OF PROXY  
CONDOTO PLATINUM NL  
ACN 131 213 824**

**ANNUAL GENERAL MEETING**

I/We

of

being a member of Condoto Platinum NL entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR  the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 11:00am WST, on 23 November 2012 at Level 4, 66 Kings Park Road, West Perth WA 6005, and at any adjournment thereof.

**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.**

**Voting on Business of the Annual General Meeting**

	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Director – Mr William Hayden	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Re-election of Director – Mr Brian Thomas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Re-election of Director – Mr Philip O’Neill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Ratification of Prior Issue to Institutional & Sophisticated Investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Grant of Options to Mr William Hayden	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Grant of Options to Mr Philip O’Neill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**Important for Resolution 1**

If a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report or Closely Related Party of such a member is your proxy you must direct your proxy how to vote on Resolution 1 unless that person is also the Chair in which case you must, in the absence of a direction how to vote, expressly authorise the Chair to exercise the proxy by marking the box below.

I/we direct the Chair to vote in accordance with his voting intentions on Resolution 1 (except where I/we have indicated a different voting intention above) and acknowledge that the Chair may exercise my/our proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

**If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolution 1 and your votes will not be counted in calculating the required majority if a poll is called on Resolution 1 .**

If two proxies are being appointed, the proportion of voting rights this proxy represents is \_\_\_\_\_%

**Signature of Member(s):**

**Date:** \_\_\_\_\_

**Individual or Member 1**

**Member 2**

**Member 3**

**Sole Director/Company Secretary**

**Director**

**Director/Company Secretary**

**Contact Name:** \_\_\_\_\_ **Contact Ph (daytime):** \_\_\_\_\_

**CONDOTO PLATINUM NL**

**ACN 131 213 824**

**INSTRUCTIONS FOR COMPLETING 'APPOINTMENT OF PROXY' FORM**

1. **(Appointing a Proxy):** A member entitled to attend and cast a vote at an Annual General Meeting is entitled to appoint a proxy to attend and vote on their behalf at the meeting. If the member is entitled to cast 2 or more votes at the meeting, the member may appoint a second proxy to attend and vote on their behalf at the meeting. However, where both proxies attend the meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A member who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints 2 proxies and the appointments do not specify the proportion or number of the member's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
  - **(Individual):** Where the holding is in one name, the member must sign.
  - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
  - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Condoto Platinum NL, Level 4, 66 Kings Park Road, West Perth WA 6005; or
  - (b) facsimile to the Company on facsimile number +61 8 +61 8 6141 3599.

so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy forms received later than this time will be invalid.**