

# Alara Resources

## NOTICE OF ANNUAL GENERAL MEETING and EXPLANATORY STATEMENT

### TO SHAREHOLDERS

**Date and Time of Meeting:** 2:30 pm (Perth time)  
on Monday, 30 November 2015

**Place of Meeting:** Mining Corporate  
Level 11, London House  
216 St Georges Terrace  
Perth, Western Australia

#### PURPOSE OF THIS DOCUMENT

This Notice of Annual General Meeting and Explanatory Statement has been prepared for the purpose of providing shareholders with all the information known to the Company that is material to the shareholders' decision on how to vote on the proposed resolutions at the Annual General Meeting. Shareholders should read this Notice of Annual General Meeting and Explanatory Statement in full to make an informed decision regarding the resolutions to be considered at this Annual General Meeting.

The Chairman of the Annual General Meeting will vote open proxies received in favour of all resolutions to be considered at the Annual General Meeting.

This Notice of Annual General Meeting and Explanatory Statement is dated 29 October 2015.

#### ENQUIRIES

If you have any questions regarding the matters set out in this Notice of Annual General Meeting and Explanatory Statement, please contact the Company or your professional advisers.



**ASX Code: AUQ**

Alara Resources Limited  
A.B.N. 27 122 892 719

#### PRINCIPAL & REGISTERED OFFICE:

Level 11, 216 St Georges Terrace  
Perth, Western Australia 6000

**T** | +61 8 9481 0389  
**F** | +61 8 9463 6103  
**E** | [info@alararesources.com](mailto:info@alararesources.com)  
**W** | [www.alararesources.com](http://www.alararesources.com)

#### SHARE REGISTRY:

Advanced Share Registry Services  
110 Stirling Highway  
Nedlands, Western Australia 6009

PO Box 1156, Nedlands, WA 6909

**T** | + 61 8 9389 8033  
**F** | + 61 8 9262 3723  
**E** | [admin@advancedshare.com.au](mailto:admin@advancedshare.com.au)  
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Level 6, 225 Clarence Street  
Sydney, New South Wales 2000

PO Box Q1736,  
Queen Victoria Building, NSW 1230  
**T** | +61 2 8096 3502

# NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of shareholders of Alara Resources Limited A.B.N. 27 122 892 719 (**Alara or Company**) will be held at **Mining Corporate, Level 11, 216 St Georges Terrace, Perth, Western Australia at 2.30pm (Perth time) on Monday, 30 November 2015.**

## AGENDA

### 1. 2015 Annual Report

To consider and receive the 2015 Directors' Report, Financial Statements and Audit Report of the Company.

The 2015 Annual Report will be sent to those shareholders who have elected to receive a printed version. Otherwise, an electronic version of the 2015 Annual Report may be viewed and downloaded from the Company's website: [www.alararesources.com](http://www.alararesources.com) or emailed to shareholders upon request to [info@alararesources.com](mailto:info@alararesources.com), when available.

### 2. Resolution 1 - Adoption of 2015 Remuneration Report

To consider, and if thought fit, pass, the following resolution as an advisory non-binding resolution:

*"That the Remuneration Report as detailed in the Directors' Report for the financial year ended 30 June 2015 be adopted."*

**Note:** The vote on Resolution 1 is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Statement for further details on the consequences of voting on this resolution.

**Voting Exclusion:** The Company will disregard any votes cast (in any capacity) on Resolution 1 by or on behalf of a "Key Management Personnel" (as defined in the Accounting Standards) and their "Closely Related Parties" (as defined in the *Corporations Act 2001 (Cth)*) (together, the **Restricted Voters**).

Key Management Personnel (**KMP**) are the Company's Directors and Executives identified in the Company's Remuneration Report (which is included in the 2015 Annual Report). A Closely Related Party of a KMP means a spouse or child of the KMP, a child of the KMP's spouse, a dependant of the KMP or the KMP's spouse, anyone else who is one of the KMP's family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP's dealings with the Company, or a company the KMP controls.

However, a Restricted Voter may cast a vote on Resolution 1 as a proxy, for a person other than a Restricted Voter, and either:

- (a) the Proxy Form specifies the way the proxy is to vote on the resolution; or
- (b) the proxy is the Chair of the meeting and the Proxy Form expressly authorises the Chair of the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company.

Shareholders should note that if it appoints the Chair as a proxy, or the Chair is appointed by default under the Proxy Form, and the Chair is not directed as to how to vote on Resolution 1, then on the poll for that item, the Chair intends to vote any undirected proxies in favour of Resolution 1. Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting on this resolution.

### 3. Resolution 3 - Re-Election of James Phipps as Director

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

*"That James Phipps, (having been appointed by the Board since the last Annual General Meeting), being eligible, be re-elected as a Director of the Company."*

### 4. Resolution 4 - Re-Election of Shanker Madan as Director

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

*"That Shanker Madan, (having been appointed by the Board since the last Annual General Meeting), being eligible, be re-elected as a Director of the Company."*

**5. Resolution 5 - Re-Election of Atmavireswar Sthapak as Director**

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

*“That Atmavireswar Sthapak, (having been appointed by the Board since the last Annual General Meeting), being eligible, be re-elected as a Director of the Company.”*

**6. Resolution 6 – Amendments to the Constitution of the Company**

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

*“That, for the purpose of section 136(2) of the Corporations Act and for all other purposes, the Constitution of the Company be amended as described in the Explanatory Statement and as tabled at the Annual General Meeting and signed by the Chair of the Meeting for identification purposes only.”*

**DATED THIS 29TH DAY OF OCTOBER 2015**

**BY ORDER OF THE BOARD**



**ELIZABETH HUNT  
COMPANY SECRETARY**

# EXPLANATORY STATEMENT

This Explanatory Statement is provided to the shareholders of Alara Resources Limited (**Alara** or **Company** or **AUQ**) pursuant to and in satisfaction of the *Corporations Act (Cth) 2001* (**Corporations Act**) and the Listing Rules of the Australian Securities Exchange (**ASX**). This Explanatory Statement is intended to be read in conjunction with the Notice of Annual General Meeting (**AGM**).

## 1. 2015 ANNUAL REPORT

Section 317 of the Corporations Act requires the Directors of the Company to lay before the AGM the Directors' Report, Financial Report and the Auditor's Report for the last financial year that ended before the AGM. These reports are contained within the Company's 2015 Annual Report.

A copy of the 2015 Annual Report will be sent to those shareholders who have elected to receive a printed version. Otherwise, an electronic version of the 2015 Annual Report may be viewed and downloaded from the Company's website: [www.alararesources.com](http://www.alararesources.com) or the ASX website ([www.asx.com.au](http://www.asx.com.au)) under ASX Code: AUQ or emailed to shareholders upon request to [info@alararesources.com](mailto:info@alararesources.com), when available.

Shareholders will be provided with a reasonable opportunity as a whole to ask questions or make statements in relation to these reports and on the business and operations of the Company but no resolution to adopt the reports will be put to shareholders at the AGM.

## 2. ADVISORY NON-BINDING RESOLUTION 1 - ADOPTION OF 2015 REMUNERATION REPORT

Resolution 1 seeks shareholder approval to adopt the 30 June 2014 Remuneration Report as disclosed in the Company's 2014 Annual Report (refer above for information on accessing the report).

Section 250R(2) of the Corporations Act requires the Company to present to its shareholders for adoption the Remuneration Report.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to "Key Management Personnel" (being the Company's Directors and Executives identified in the Remuneration Report) (**KMP**), sets out remuneration details for each KMP and any service agreements and sets out the details of any performance based and equity based benefits provided to KMP (where applicable).

Shareholders attending the AGM will be given a reasonable opportunity as a whole to ask questions about, or make comments on, the Remuneration Report.

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

### Directors' Recommendations

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors unanimously recommend that **shareholders vote in favour of Resolution 1** to adopt the Remuneration Report.

### Voting Exclusion

A voting exclusion applies to Resolution 1 in the terms set out in the Notice of AGM. In particular, the Restricted Voters may not vote on this resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a KMP. The Chair will use any undirected/open proxies to vote in favour of this resolution.

The Company encourages shareholders to indicate their voting direction FOR or AGAINST, or to ABSTAIN, in relation to each resolution, including Resolution 1.

If shareholders have appointed the Chair of the Meeting as their proxy (or the Chair of the Meeting becomes their proxy by default), shareholders can direct the Chair of the Meeting to vote FOR or AGAINST, or to ABSTAIN from voting on Resolution 1 by marking the appropriate Voting Direction box opposite that resolution.

However, if the Chair of the Meeting is proxy under the Proxy Form and shareholders do not mark any of the Voting Direction boxes opposite Resolution 1, shareholders are, in effect, directing the Chair to vote "FOR" the resolution as the Chair of the Meeting intends to vote undirected proxies in favour of Resolution 1.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this resolution.

### 3. ORDINARY RESOLUTION 3 - RE-ELECTION OF JAMES PHIPPS AS DIRECTOR

Resolution 3 seeks shareholder approval for the re-election of Mr James Phipps as a Director of the Company.

The Board appointed Mr Phipps as Non-Executive Director in November 2014 and subsequently appointed as Non-Executive Chairman on 31 July 2015. The Board considers Mr Phipps an independent director.

The Company's constitution requires a Director appointed by the Board since the last AGM to retire at the following AGM. Mr Phipps retires at this AGM under this rule. However, being eligible, he has offered himself for re-election as a Director of the Company.

Mr Phipps' qualifications and experience are detailed in the Directors' Report in the Company's 2015 Annual Report.

The Board (other than Mr Phipps who makes no recommendation in respect of his own re-election as a Director) supports the re-election of Mr James Phipps to the Board of Directors of the Company and recommends that **shareholders vote in favour of Resolution 3**.

### 4. ORDINARY RESOLUTION 4 - RE-ELECTION OF SHANKER MADAN AS DIRECTOR

Resolution 4 seeks shareholder approval for the re-election of Mr Shanker Madan as a Director of the Company.

Mr Madan previously served as Managing Director of the Company between May 2007 and June 2013. Mr Madan was reappointed to the board as Technical Director on 31 July 2015. The Board do not consider Mr Madan to be an independent director.

The Company's constitution requires a Director appointed by the Board since the last AGM to retire at the following AGM. Mr Richard retires at this AGM under this rule. However, being eligible, he has offered himself for re-election as a Director of the Company.

Mr Madan's qualifications and experience are detailed in the Directors' Report in the Company's 2015 Annual Report.

The Board (other than Mr Shanker Madan, who makes no recommendation in respect of his own re-election as a Director) supports the re-election of Mr Madan to the Board of Directors of the Company and recommends that **shareholders vote in favour of Resolution 4**.

### 5. ORDINARY RESOLUTION 5 - RE-ELECTION OF ATMVIRESHWAR STHAPAK AS DIRECTOR

Resolution 5 seeks shareholder approval for the re-election of Mr Atmavireshwar Sthapak as a Director of the Company.

The Board appointed Mr Sthapak as Non-Executive Director on 16 June 2015. The board do not consider Mr Sthapak to be an independent director

The Company's constitution requires a Director appointed by the Board since the last AGM to retire at the following AGM. Mr Sthapak retires at this AGM under this rule. However, being eligible, he has offered himself for re-election as a Director of the Company.

Mr Sthapak's qualifications and experience are detailed in the Directors' Report in the Company's 2015 Annual Report.

The Board (other than Mr Atmavireshwar Sthapak, who makes no recommendation in respect of his own re-election as a Director) supports the re-election of Mr Sthapak to the Board of Directors of the Company and recommends that **shareholders vote in favour of Resolution 5**.

## 6. SPECIAL RESOLUTION 6 – AMENDMENTS TO THE COMPANY'S CONSTITUTION

### 6.1. Introduction

The Company's existing constitution (**Constitution**) was first adopted by members on 19 March 2007 and subsequently updated on 17 September 2008. Since that time, there have been a number of amendments to the Corporations Act, the Listing Rules and other applicable laws and rules. Furthermore, the Company has a large number of shareholder who hold non-marketable parcels, and the Board wishes to amend the Constitution to facilitate the compulsory sale of these parcels. Accordingly, the has reviewed its Constitution and proposes a number of amendments which are intended to update the Constitution for those changes to the Corporations Act, Listing Rules and other applicable laws and rules.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote at the Annual General Meeting.

A copy of the existing Constitution and a document showing the proposed amendments as marked up text are available for inspection at the Company's office or website ([www.alararesources.com](http://www.alararesources.com)). A complete copy of the Constitution and Proposed Amended Constitution will also be sent by mail or email to any Shareholder who requests it. Requests for inspection or copies should be directed to the Company Secretary.

### 6.2. Summary of proposed amendments

- (a) Payment of dividends - The proposed amendments provide for a number of changes to broaden the methods by which the Company may pay dividends to shareholders. These changes have been made to reflect amendments to the Corporations Act which mean companies are no longer restricted to paying dividends out of profits.
- (b) Sale of non-marketable parcels – The Company currently has a large number of holders of non-marketable parcels (holdings with a value of less than \$500), which significantly adds to the Company's compliance costs. The Company has previously tried to reduce the number, however the Constitution limits the Board's ability to do this. The Constitution currently provides that sales of non-marketable parcels must for not less than the mean weighted average sale price of the relevant securities sold on ASX during a period of 5 consecutive trading days immediately preceding the relevant Notice Date, rounded off to the nearest half cent or, if there are no sales of the relevant securities on ASX during that period the sale price which in the opinion of the directors is a fair and reasonable sale price for the relevant securities immediately prior to the relevant Notice Date.

The proposed amendments will amend the definition of Minimum Sale Price to be as follows:

*"Minimum Sale Price" means the weighted average sale price of the relevant securities sold on ASX during a period of 5 consecutive trading days immediately preceding the relevant Notice Date, rounded off to the nearest half cent or a sale price which in the opinion of the directors is a fair and reasonable sale price for the relevant securities immediately prior to the relevant Notice Date.*

The amendments also relieve the Company of the obligation to pay holders of non-marketable parcels, where the consideration to be paid is less than \$5.

- (c) In line with current market practice and as permitted under the Listing Rules, the proposed amendments will enable the Company to require the sale of unmarketable parcels of shares. Similar provisions are included in the Existing Constitution; however, the process under the proposed amendments is more flexible for the Company. This requirement may be applied to a shareholder holding less than a marketable parcel of shares (currently to the value of \$500 or less) which may be sold for the benefit of that shareholder.
- (d) Forms of directors' remuneration - The proposed amendment allows the directors to participate in share plans and to receive other non-cash benefits as part of their normal remuneration. If the proposed amendment is adopted, the Company would still need to comply with the relevant requirements of the Listing Rules and the Corporations Act (where applicable), including the requirement for shareholder approval to issue securities to a director under Listing Rules 10.11 and 10.14.
- (e) Administrative and technical amendments - Other changes of a more administrative nature are proposed to be made under the proposed amendments, having regard to changes in the Corporations Act and the ASX Listing Rules and current market practice including updating relevant definitions to reflect various changes made to the Corporations Act and Listing Rules since the adoption of the Existing Constitution.

### 6.3. Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 6.

## TIME AND PLACE OF AGM AND HOW TO VOTE

### Venue

The Annual General Meeting of the shareholders of Alara Resources Limited will be held at **Mining Corporate, Level 11, 216 St Georges Terrace, Perth, Western Australia at 2.30pm (Perth time) on Monday, 30 November 2015.**

### Voting Rights (subject to the voting exclusions noted in the Notice of AGM)

- At any meeting of the shareholders, each shareholder entitled to vote may vote in person or by proxy or by power of attorney or, in the case of a shareholder which is a corporation, by representative.
- Every person who is present in the capacity of shareholder or the representative of a corporate shareholder shall, on a show of hands, have one vote.
- Every shareholder who is present in person, by proxy, by power of attorney or by corporate representative shall, on a poll, have one vote in respect of every fully paid share held by him.

### Voting in Person

To vote in person, attend the meeting on the date and at the place set out above.

### Voting by Proxy

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- by facsimile to (08) 9463 6103;
- by mail to Alara Resources Limited, GPO Box 2517, Perth, Western Australia 6831; or
- by hand delivery to Alara Resources Limited, Level 11, 216 St Georges Terrace, Perth, Western Australia,

so that it is received **not later than 2:30 pm (Perth time) on Thursday, 26 November 2015.**

Proxies received after that time will not be effective.

### Online Voting

To vote online, please visit the Company's Share Registry website: [www.advancedshare.com.au](http://www.advancedshare.com.au) and enter the Investor Login section. Shareholders will need to enter their Shareholder Reference Number (**SRN**) or CHESS Holder Identification Number (**HIN**) pertaining to their shareholding in the Company.

### Bodies Corporate

A body corporate may appoint an individual as its authorised corporate representative to exercise any of the powers the body may exercise at meetings of a company's shareholders. A properly executed original (or certified copy) of an appropriate "Appointment of Corporate Representative" should be produced for admission to the meeting. Previously lodged Appointments of Corporate Representative will be disregarded by the Company.

### Voting by Attorney

A shareholder may appoint an attorney to vote on his or her behalf. For an appointment to be effective for the Annual General Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at its registered office or one of the addresses listed above for the receipt of proxy appointments at least 48 hours before the Annual General Meeting. Previously lodged Powers of Attorney will be disregarded by the Company.

### Voting Entitlement

In accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the Annual General Meeting all shares in the Company will be taken to be held by the persons who held them as registered shareholders at 5:00pm (Perth time) on Thursday 26 November 2014 (**Voting Entitlement Time**). Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

# PROXY FORM

## Annual General Meeting

Alara Resources Limited

A.B.N. 27 122 892 719

Website: www.alararesources.com

**LODGE YOUR VOTE**  
**By Mail:** Alara Resources Limited  
 GPO Box 2517  
 Perth WA 6831  
**By Facsimile:** (08) 9463 6103

**ENQUIRIES:** (08) 9481 0389 or  
 cosec@alararesources.com

{Name1}  
 {Name2}  
 {Name3}  
 {Name4}  
 {Name5}  
 {Name6}, {POSTCODE}

Our Reference: AUQ / {S-REG} / {SEQUENCE}  
 Shareholding as at [ ] October 2015: {CURRENT\_UNITS}  
 Current Election to Receive Hard Copy Annual Report:  
 {ANNUAL\_REPORT}

### A. Appointment of Proxy

I/We being a member/s of Alara Resources Limited and entitled to attend and vote hereby appoint

The Chair of the Meeting

OR

Write here the name of the person you are appointing if this person is **someone other** than the Chair of the Meeting.

or failing the person named, or if no person is named, the Chair of the Meeting (by default), as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Alara Resources Limited to be held at **Mining Corporate, Level 11, 216 St Georges Terrace, Perth, Western Australia at 2.30pm (Perth time) on Monday, 30 November 2015.**

and at any adjournment of such Annual General Meeting.

**IMPORTANT:**

The Company encourages shareholders to indicate their voting direction FOR or AGAINST, or to ABSTAIN, against each resolution in Section B.

If you leave Section A blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy by default.

If the Chair of the Meeting becomes your proxy (by specific appointment or by default), you can direct the Chair of the Meeting to vote FOR or AGAINST, or to ABSTAIN from voting on the Resolutions by marking the appropriate Voting Direction boxes in Section B below. However, note that under Section A, if the Chair of the Meeting is your proxy and you do not mark any of the Voting Direction boxes in Section B below, you are, in effect, directing the Chair to vote "For" Resolutions 2 to 6 (inclusive) as the Chair of the Meeting intends to vote undirected proxies in favour of Resolutions 2, 3, 4, 5 and 6.

**YOUR ACKNOWLEDGEMENTS ON REMUNERATION RELATED RESOLUTION**

**Chair's intention to vote undirected proxies:** I/We acknowledge that the Chair of the Meeting intends to vote undirected proxies in favour of Resolution 1.

**Direction to Chair for voting on Resolution 1:** Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair of the Meeting becomes my/our proxy by default), but I/we have not marked any of the boxes opposite Resolution 1 in Section B below, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of Resolution 1 even though the Chair is, and those items are connected directly or indirectly with the remuneration of, a member of key management personnel for the Company.

### B. Voting directions to your proxy – please mark to indicate your directions

RESOLUTIONS	For	Against	Abstain*
(1) Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(2) Re-election of Justin Richard as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(3) Re-election of James Phipps as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(4) Re-election of Shankar Madan as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(5) Re-election of Atmavireswar Sthapak as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(6) Amendments to the Company's Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

\* If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

### C. Change of Address and Annual Report Election (refer notes 1 and 2 overleaf)

- mark  if you want to make any changes to your address details
- mark  if you wish to receive a printed Annual Report by post
- mark  if you wish to receive an electronic Annual Report by email and specify your email address below

### D. Please Sign Here This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented

<b>Individual or Shareholder 1</b> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> Sole Director and Sole Company Secretary	<b>Joint Shareholder 2</b> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> Director	<b>Joint Shareholder 3</b> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> Director / Company Secretary
----- Contact Name	----- {PHONE} Contact Daytime Telephone	----- Date
----- Email Address	----- {EMAIL}	

## INSTRUCTIONS FOR COMPLETING PROXY FORM

### 1. Change of Address

Your pre-printed name and address is as it appears on the share register of Alara Resources Limited. If this information is incorrect, please mark the box at **Section C** of the proxy form and make the correction at the top of the form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

### 2. Annual Report Elections

Companies are no longer required to mail out printed annual reports to shareholders. Instead, shareholders can now make an election as follows:

- (a) make a written request for a hard copy annual report to be mailed to you; or
- (b) make a written request for an electronic copy of the annual report to be emailed to you.

If you wish to update your annual report elections, please complete **Section C** of the Proxy Form.

### 3. Voting on Remuneration Matters

The Company will disregard any votes cast on Resolution 1 (Adoption of Remuneration Report) by or on behalf of a "Key Management Personnel" (as defined in the Accounting Standards) and their "Closely Related Parties" (as defined in the *Corporations Act 2001*) (**Restricted Voter**). Key Management Personnel (**KMP**) are the Company's Directors and Executives identified in the Company's Remuneration Report. A Closely Related Party of a KMP means a spouse or child of the KMP, a child of the KMP's spouse, a dependant of the KMP or the KMP's spouse, anyone else who is one of the KMP's family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP's dealings with the Company, or a company the KMP controls. The Company need not disregard a vote if a vote is cast by a KMP on Resolution 1 as a proxy, for a person other than a Restricted Voter, and either:

- (a) you directed the KMP the way they are to vote on Resolution 1; or
- (b) if the Chair is your proxy, you expressly authorise him to vote as he sees fit on Resolution 1 under the Proxy Form even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Shareholders may also choose to direct the Chair to vote against these resolutions or to abstain from voting.

- 4. You may direct your proxy how to vote by marking one of the voting direction boxes opposition each resolution. If you do not mark a voting direction box your proxy may, to the extent permitted by law, vote as they choose. If you mark more than one voting direction box on a resolution your vote will be invalid on that resolution.
- 5. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.
- 6. A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment do not specify this proportion, each proxy may exercise half of the votes.
- 7. A proxy need not be a shareholder of the Company.
- 8. If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.
- 9. If a representative of a company shareholder is to attend the meeting, a properly executed original (or certified copy) of the appropriate 'Appointment of Corporate Representative' should be produced for admission to the meeting. Previously lodged Appointments of Corporate Representative will be disregarded by the Company.
- 10. **Signing Instructions**

You must sign this form as follows in the spaces provided at **Section D**:

- Individual:** Where the holding is in one name, the holder must sign.
- Joint Holding:** Where the holding is in more than one name, all of the shareholders should sign.
- Power of Attorney:** If you are signing under a Power of Attorney, you must lodge an original or certified copy of the appropriate Power of Attorney with your completed Proxy Form and produce a properly executed original (or certified copy) of that Power of Attorney at the General Meeting.
- Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### 11. Lodgement of a Proxy

This Proxy Form (and the original or certified copy of any Power of Attorney under which it is signed) must be received at the address below not later than **2:30pm (Perth time) on Thursday, 26 November 2015** (48 hours before the commencement of the meeting). Any Proxy Form received after that time will not be valid for the meeting. **Proxy Forms may be lodged** by posting, delivery or facsimile to the address below:

BY POST:  
Alara Resources Limited  
GPO Box 2517  
Perth WA 6831

BY DELIVERY:  
Alara Resources Limited  
Level 11, 216 St Georges Terrace  
Perth, Western Australia

BY FACSIMILE:  
  
+61 8 9463 6103