



SOUTHERN CROSS GOLDFIELDS LTD

ABN 71 124 374 321

Notice of Annual General Meeting and Explanatory Statement

**Annual General Meeting to be held at the
Barry Cable Room
Gate 17, Level 3 (Roberts Road side), Patersons Stadium, Perth, Western
Australia**

From Roberts Road, enter Patersons Stadium via **Gate 17**. Take the lift to the third floor. The Barry Cable Room is where you exit the lift.

**at 10.00am WST,
Friday, 25 November 2011**

The Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

Notice of Annual General Meeting

Notice is hereby given that the fourth Annual General Meeting of Southern Cross Goldfields Ltd ABN 71 124 374 321 (**Southern Cross or Company**) will be held at the **Barry Cable Room, Gate 17, Level 3 (Roberts Road side), Patersons Stadium, Perth, Western Australia** at **10.00am WST, Friday, 25 November 2011**.

The Explanatory Statement, which accompanies and forms part of this Notice, describes the various matters to be considered.

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the Glossary as set out in the Explanatory Statement.

Agenda

Financial Report

To receive and consider the financial report of the Company and the reports of the Directors and auditors for the year ended 30 June 2011.

Resolution 1 – Adoption of Remuneration Report

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

“That the Remuneration Report contained in the Directors' Report for the year ended 30 June 2011 be adopted by the Company.”

In accordance with the Corporations Act the vote on the resolution is advisory only and does not bind the Directors or the Company.

Recent amendments to the Corporations Act mean that if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (“spill resolution”) that another meeting be held within 90 days at which all of the Company’s directors (other than the Managing Director) must go up for re-election. For further information, please refer to the Explanatory Statement.

<p>Voting exclusion: A vote of on this Resolution must not be cast (in any capacity) by or on behalf of either a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report or their closely related parties (which includes their spouse, child, dependent, other family members and any controlled company). Please refer to the Explanatory Statement for further details.</p>

Resolution 2 – Re-election of Ms Samantha Tough as a Director

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

“That Ms Samantha Tough, being a Director of the company who retires in accordance with rule 13.2 of the Company’s Constitution, and being eligible, be re-elected as a Director of the Company.”

Resolution 3 – Issue of securities to Renaissance Minerals Limited

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 7.1 and for all other purposes, approval is given by the Shareholders for the issue and allotment of 5,000,000 Shares and 10,000,000 Options to Renaissance Minerals Limited in consideration for the acquisition of the Mt Rankin Gold Project in the manner and on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 3 by Renaissance and any Associate of Renaissance. 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.

Resolution 4 – Ratification of Placement

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 7.4 and for all other purposes, the Shareholders hereby approve and ratify the allotment and issue of 14,683,992 fully paid ordinary shares at a price of 6.5 cents per Share (**Placement**).”*

Voting exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 4 by those persons who were issued Shares under the Placement and by any Associate 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.

By order of the Board



Dan Calvert
Company Secretary

20 October 2011

Proxy, Voting and Meeting Instructions

Lodgement of a Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address given below by **11.00am WST, Wednesday 23 November 2010** being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled Annual General Meeting.

Proxy Forms may be lodged:

By post to: Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001

By hand to: Registered Office – Unit 16, 162 Colin Street, West Perth, Western Australia 6005

By fax: 1800 783 447 (within Australia)
61 3 9473 2555 (outside Australia)

Online: Shareholders may submit their proxy instructions electronically to the Company's share registrar, Computershare Investor Services Pty Ltd by visiting www.investorvote.com.au and following the instructions given there. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

Appointment of a Proxy

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy. The proxy may, but need not be, a security holder of the Company.

If you wish to appoint the Chairman of the Annual General Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Annual General Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Annual General Meeting will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Annual General Meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy, write both names and the percentage of votes or number of securities for each on the Proxy Form.

Fractions of votes will be disregarded.

Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary – that director.

Votes on Resolution

You may direct your proxy how to vote by placing a mark in one of the boxes opposite the Resolutions. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on the Resolutions will be invalid.

Voting Entitlement (Snapshot Date)

For the purposes of determining voting and attendance entitlements at the Annual General Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at the close of business **Tuesday, 22 November 2011**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Corporate Representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Annual General Meeting or at the registration desk on the day of the Annual General Meeting.

Questions from Shareholders

At the Meeting the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.

Mr John Van Dieren of Stantons International, as the auditor responsible for preparing the auditor's report for the year ended 30 June 2011 (or his representative) will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have in writing no later than **11.00am WST, Friday 18 November 2011**:

In person: Registered Office - Unit 16, 162 Colin Street, West Perth, Western Australia 6005

By mail: PO Box 708, West Perth, WA 6872

By fax: +61 8 9485 1283

As required under section 250PA of the Corporations Act, at the Meeting, the Company will distribute a list setting out the questions directed to the auditor received in writing by 18 November 2011, being questions which the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the financial report for the year ended 30 June 2011. The Chairman will allow reasonable opportunity to respond to the questions set out on this list.

Explanatory Statement

1. Introduction

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary. All amounts referred to in this Explanatory Statement are in Australian dollars unless specified otherwise.

2. Annual Financial Report

The Corporations Act requires the Directors' report, auditors' report and the financial statements of the Company for the year ended 30 June 2011 to be tabled at the Annual General Meeting.

Neither the Corporations Act nor the Constitution requires a vote of Shareholders on the reports or financial statements. However, Shareholders will be given reasonable opportunity to raise questions on the reports and ask questions of the Company's auditor.

3. Resolution 1 – Adoption of Remuneration Report

The Remuneration Report is set out in the Directors Report in the Company's 2011 Annual Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. Under section 250R(3) of the Corporations Act, the vote on the Resolution is advisory only and does not bind the Directors or the Company.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

The Company encourages all eligible Shareholders to cast their votes on Resolution 1 (Remuneration Report).

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report or their closely related parties

Any undirected proxies held by the Chairperson of the Annual General Meeting, other directors or other key management personnel or any of their closely related parties will not be voted on Resolution 1 (Remuneration Report).

Accordingly, if you appoint the Chairman of the Meeting as your proxy, you should direct the Chairman how to vote on Resolution 1 if you want your Shares to be voted on that item of business.

4. **Resolution 2 – Election of Ms Samantha Tough as a Director**

The Constitution of the Company requires that one third of the Directors in office (other than a Managing Director) must retire by rotation at each annual general meeting of the Company.

Ms Tough therefore retires at the forthcoming Annual General Meeting in accordance with rule 13.2 of the Constitution and being eligible, has offered herself for re-election at the Annual General Meeting.

Ms Tough was appointed a Director on 24 July 2007.

Samantha Tough has a unique mix of leadership, commercial and legal skills in a range of industry including the energy and resources sectors. She is a professional director with over 13 years experience on public and private boards. Samantha is currently Chairman of Southern Cross Goldfields Limited, Chairman of Structerre Pty Ltd (provides engineering services to the residential construction market), Chairman RemCo Ltd (oversees the gas retail function for Western Australia) and has recently being appointed to the Board of Murchison Metals Limited. Previous directorships include Chairman Advanced Well Technologies Pty Ltd (engineering services to oil and gas sector), Member of Curtin University of Technology's Investment Committee and various Woodside related boards.

Samantha has senior executive management experience in oil and gas including General Manager North West Shelf for Woodside Energy Ltd, Director of Strategy for Hardman Resources Ltd and Senior Vice President of Natural Resources with the Commonwealth Bank of Australia. Samantha has also provided a leadership role to the Deputy Premier's Office as Project Director of the Pilbara Power Project. Her role was to work with the key players in the Pilbara region to identify a commercial and practical way forward to meet the projected energy needs for industry and community in the region. Samantha also gives time to community sport in both a coaching and leadership capacity. Samantha has a law degree from University of Western Australia and is entitled to fellow status from the AICD.

During the three year period to the end of the financial year Ms Tough held a directorship in Enerji Ltd. and Murchison Metals Limited

Directors' recommendation

The Directors (apart from Ms Tough) recommend that Shareholders vote in favour of the election of Ms Tough.

5. **Resolution 3 – Issue of Shares to Renaissance Minerals Limited**

On 4 August 2011, Southern Cross entered into an agreement with Renaissance Minerals Limited ACN 141 196 545 (**Renaissance**) for the purchase of a portfolio of mining tenements located in the Southern Cross region (**Mt Rankin Gold Project**) from Renaissance (**Acquisition**).

The Acquisition was agreed to in conjunction with the Company's entry into a farm-in agreement with Renaissance in respect of Renaissance's Radio Gold mine, as announced to ASX on 5 August 2011. A copy of the Company's announcement is available on the Company's website at www.scross.com.au.

The Board considers that the Acquisition represents a good opportunity for the Company to create significant potential value for Shareholders.

Material terms of Acquisition

In consideration of the acquisition of the Mr Rankin Gold Project, the Company has agreed to issue Renaissance 5,000,000 Shares and 10,000,000 Options (exercisable at \$0.10 per Share and expiring on the date 3 years after completion of the Acquisition), subject to Shareholder approval of Resolution 3.

Shareholder approval of the issue of the Shares and Options to Renaissance is a condition precedent to the completion of the Acquisition.

Under the terms of the agreement between the Company and Renaissance for the Acquisition, Renaissance has agreed that the 5,000,000 Shares, 10,000,000 Options and Shares issued on the exercise of the Options (**Escrowed Securities**) will be subject to voluntary escrow restrictions for a period of 2 years after the date the 5,000,000 Shares and 10,000,000 Options are issued (**Escrow Period**), pursuant to the terms of an escrow deed. During the Escrow Period Renaissance will be prevented from disposing of the Escrowed Securities except in limited circumstances, including in

circumstances where a takeover bid is made for securities in the Company and holders of at least half of the securities in the bid class (other than Renaissance) have accepted the takeover bid offer.

Some of the tenements forming the Mt Rankin Gold Project are subject to a 2.5% royalty on all gold and all other minerals produced on the tenements payable to St Barbara Limited (**Royalty**). It is a condition precedent to the completion of the Acquisition that Southern Cross, Renaissance and the relevant third parties enter into such deeds as are required in order for Southern Cross to assume Renaissance's obligation to pay the Royalty to St Barbara Limited.

The tenements the subject of the Acquisition that are subject to the Royalty Deed are described in the next section.

Mt Rankin Gold Project

The Mt Rankin tenements are strategically located immediately along strike of the Company's existing tenements in the Southern Cross region and are within close proximity to existing gold mining and processing facilities at Marvel Loch (St Barbara Mines) and Westonia (Catalpa Resources).

The tenements include:

- the East Edwards Find prospect, with a previous drilling intersection of 5 metres @ 9.74g/t gold and 4 metres @ 6.65 g/t gold; and
- the Black and White prospect, with previous intersection including 5 metres @ 3.13 g/t gold.

The Mt Rankin Gold Project comprises the following tenements:

Tenement	Status	Sale Interest
E77/1234	Granted	100%
E77/1289	Granted	100%
P77/3296	Granted	90%
P77/3297	Granted	90%
P77/3614	Granted	90%
P77/3665	Granted	100%
P77/3666	Granted	100%
P77/3759	Granted	100%
P77/3760	Granted	100%
P77/3761	Granted	100%
E77/1350	Granted	100%
E77/1692	Granted	100%

P77/3665, P77/3666, P77/3759, P77/3760 and P77/3761 are subject to the Royalty described above.

Further details about the project and the discussed prospects are included in the Company's announcement to ASX dated 5 August 2011, available on the Company's website at www.scross.com.au

Listing Rules information requirements

Listing Rule 7.1 provides, in summary, that a listed company may not issue equity securities in any 12 month period which exceeds 15% of the number of issued securities of the company held at the beginning of the 12 month period, except with the prior approval of shareholders of the company in general meeting of the precise terms and conditions of the proposed issue.

The effect of Resolution 3, if passed, will be that the issue of Shares and Options will be exempt from the 15% limit under Listing Rule 7.1.

Approval of Resolution 3 will allow the Company to issue the 5,000,000 Shares and 10,000,000 Options to Renaissance to complete the Acquisition, and provide the Company with flexibility during the next 12 month period to issue further equity securities in order to raise further capital if required.

In accordance with Listing Rule 7.3, the following details are provided in relation to Resolution 3:

- (a) the maximum number of Shares and Options to be issued pursuant to Resolution 3 is:
 - (i) 5,000,000 Shares; and
 - (ii) 10,000,000 Options with an exercise price of \$0.10 and expiring on the date 3 years after completion of the Acquisition;
- (b) all Shares and Options will be allotted no later than 3 months after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules), and the Company reserves the right to allot the Shares progressively;
- (c) the Shares and Options will be issued and allotted to Renaissance Minerals Limited;
- (d) the Options will be issued on the terms set out in Schedule 1 to this Explanatory Statement; and
- (e) the Shares and Options will be issued in consideration for the Acquisition and accordingly no funds will be raised through the issue of the Shares or the Options. If all of the Options are exercised the Company will receive \$1,000,000.

Regulatory information requirements

The Company seeks Shareholder approval of the grant of Options to ensure compliance with Listing Rule 7.1.

Directors' recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 3.

6. Resolution 4 – Ratification of Placement

On 20 October 2011, the Company allotted and issued 14,683,992 Shares to sophisticated investors pursuant to section 708A(5) of the Corporations Act at an issue price of 6.5 cents per Share to raise approximately A\$950,000 (**Placement**).

Ratification of the issues of Shares pursuant to the Placement is now being sought.

The funds raised by the Placement are being applied to progress the Company's current activities, including:

- diamond drilling at the Company's Copper Bore base metals project;
- extensional diamond drilling at the Golden Orb gold deposit;
- business development initiatives; and
- feasibility study activities.

The effect of Shareholders passing Resolution 4 will be to "refresh" the number of securities which the Company can issue within any 12 month period in accordance with ASX Listing Rule 7.1. This will allow the Company to raise further working capital-up to a maximum of 15% of the Company's total issued Shares, without the need to obtain members approval prior to the capital raising.

Listing Rules information requirements

Listing Rule 7.1 provides that prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 states that an issue by a company of securities made without approval under ASX Listing Rule 7.1 is treated as having been made with approval for the purpose of ASX Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

Under Resolution 4, the Company seeks Shareholder approval for, and ratification of, the issue of the Shares as set out below so as to restore the Company's capacity under Listing Rule 7.1 to issue further securities representing up to 15% of the Company's issued capital in the next 12 months.

For the purposes of Listing Rule 7.5, the Company provides the following information to Shareholders:

- (a) the Company issued 14,683,992 Shares on 20 October 2011 at an issue price of 6.5 cents per Share;
- (b) all Shares issued under the Placement rank equally with all other Shares;
- (c) the Shares were issued to various sophisticated investors as determined by the Directors;
- (d) the Placement raised a total of \$954,458 before costs of the Placement; and
- (e) the Company intends to use the funds raised from the issue of the Shares to, in the Board's discretion:
 - (i) fund ongoing feasibility study activities;
 - (ii) fund ongoing gold exploration;
 - (iii) fund business development initiatives; and
 - (iv) maintain a prudent level of working capital.

\$250,000 of the placement has been raised from the Company's major shareholder Polaris Metals Pty Ltd (**Polaris**). In consideration of Polaris agreeing to participate in the placement, the Company has agreed to vary the Carina Royalty Deed between the Company and Polaris so that Polaris is no longer required to pay the Company a contingent bonus payment of \$250,000. The bonus payment would have only become payable in the event that a mineral resource in excess of 3MT grading >58% iron ore was defined on the Carina tenement area and would have only been paid after an announcement to that effect was made by Polaris on the ASX Company Announcements Platform.

Directors' recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 4.

Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

Annual General Meeting or Meeting	Annual General Meeting of Shareholders of the Company or any meeting adjourned thereof, convened by the Notice.
Annual Report	The Company's annual report including the reports of the Directors and the Auditor and the Financial Statements of the Company for the year ended 30 June 2011 which can be downloaded from the Company's website at www.scross.com.au/ .
Associate	Has the meaning given to it by Division 2 of Part 1 of the Corporations Act.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited, trading as the Australian Securities Exchange.
Board	Board of Directors of the Company.
Business Day	A day (other than a Saturday or Sunday) on which trading banks in Perth are open for ordinary business.
Company or Southern Cross Goldfields	Southern Cross Goldfields Ltd ABN 71 124 374 321.
Change of Control Event	Includes: the Company entering into a scheme of arrangement with its creditors or members or any class thereof pursuant to section 411 of the Corporations Law; the commencement of a takeover period; or a person or a group of associated persons having a relevant interest in, subsequent to the adoption of these Rules, sufficient Shares in the Company to give it or them the ability, in general meeting or otherwise, to modify the composition of the Board or to replace all or a majority of the Board. In circumstances where such ability was not already held by a person associated with such person or group of associated person; or a change of control as the term 'control' is defined under section 50AA of the Corporations Act 2001.
Constitution	The Company's constitution.
Director	A Director of the Company.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice of Annual General Meeting.
Listing Rules	The Listing Rules published by ASX.
Key Management Personnel	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.
Managing Director	The Company's managing director, being Mr Glenn Jardine.
Notice and Notice of Meeting	The notice of Annual General Meeting which accompanies this Explanatory Statement.
Option	An option to subscribe for a Share.
Option Holder	A holder of an Option.
Placement	The placement undertaken by the Company on 20 October 2011 for the issue of 14,683,992 Shares in the Company.
Remuneration Report	The remuneration report appearing in the Annual Report.
Renaissance	Renaissance Minerals Limited ACN 141 196 545
Resolution	A resolution set out in the Notice.
Share	Fully paid ordinary share in the capital of the Company.
Shareholder	A registered holder of a Share.
WST	Western Standard Time, being the time in Perth, Western Australia.

Schedule 1

Resolution 3: Terms and Conditions of Options to be issued to Renaissance Minerals Limited

1. The Options are exercisable at a price of is \$0.10 (**Exercise Price**).
2. The Options may be exercised at any time prior to the 3rd anniversary of the date on which completion takes place (**Expiry Date**), in whole or in part, by completing an Option Exercise Form (as set out below) and delivering to the registered office of the Company together with the payment of the Exercise Price in immediately available funds for the number of Shares in respect of which the Options are exercised. An Option not exercised on or before the Expiry Date will lapse.
3. The Options will be issued for part consideration for the Acquisition.
4. Each Option entitles the Option Holder to one Share in the Company.
5. All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then existing Shares.
6. The Options are not transferable prior to the 2nd anniversary date on which completion takes place without the prior written consent of the Company in its absolute discretion.
7. No application will be made to ASX for official quotation of the Options. If the Company's ordinary Shares have been granted official quotation by ASX, the Company must apply for official quotation by ASX of all Shares allotted pursuant to the exercise of Options not later than 5 Business Days after the date of allotment.
8. The Option Holder may only participate in new issues of securities to holders of Shares if the Option has been exercised and Shares allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give notice to the Option Holder of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules of ASX.
9. If there is a pro rata issue of securities to holders of Shares for which no consideration is payable by them (**Bonus Issue**), the number of Shares over which the Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option had been exercised before the record date for the Bonus Issue (**Bonus Shares**). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank pari passu in all respects with the other Shares of that class on issue at the date of issue of the Bonus Shares.
10. There will be no change to the Exercise Price of the Option or the number of Shares over which the Option is exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of ordinary Shares in the Company (other than Bonus Issue).
11. If prior to the Expiry Date, there is a reorganisation of the issued capital of the Company, Options are to be treated in the manner set out in the Listing Rules.
12. Shares allotted and issued pursuant to the exercise of the Options will be allotted and issued, and a holding statement provided to the Option Holders in respect of those Shares, on the above terms and conditions not more than 10 days after the receipt of a properly executed Option Exercise Form and the Exercise Price in immediately available funds in respect of the Options exercised.