

South East Asia Resources Limited

ABN 66 009 144 503

Notice of Annual General Meeting and Explanatory Statement

Annual General Meeting to be held at:

Time: 1.00 pm (AWST)

Date: Friday 28 November 2014

Place: The Irish Club WA
61 Townshend Road
SUBIACO WA 6008

This is an important document and should be read in its entirety. Please read it carefully.

A Proxy Form is enclosed within this Notice of Annual General Meeting and Explanatory Statement

If you are unable to attend the Annual General Meeting, please complete the proxy form enclosed and return it in accordance with the instructions set out on that form. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor and/or other professional adviser without delay.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of shareholders of South East Asia Resources Limited (“**Company**” or “**SXI**”) will be held at The Irish Club WA, 61 Townshend Road, Subiaco, Western Australia on Friday, 28 November 2014 commencing at 1.00 pm (AWST).

The Explanatory Statement to this Notice provides additional information on matters to be considered at the Meeting and should be read in conjunction with the Notice. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company as at 5.00pm (AWST) on Wednesday, 26 November 2014.

Terms and abbreviations used in this Notice and Explanatory Statement are defined in the Glossary.

AGENDA

Financial Statements and Reports

To receive and consider the annual financial report of the Company, together with the Directors’ and Auditor’s reports for the financial year ended 30 June 2014, as set out in the Annual Report.

1. RESOLUTION 1 – Non-binding Resolution to adopt Remuneration Report

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

“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as set out in the Annual Report for the year ended 30 June 2014 be adopted.”

Note: The vote on this Resolution 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 Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf 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 member.

However, a person 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:

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

2. RESOLUTION 2 –Re-election of Mr. Jakob (Kobi) Tsaban

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

“That, for all purposes, Mr Jakob Tsaban who retires in accordance with clause 12.2 of the Constitution and being eligible for re-election, be re-elected as a Director.”

3. RESOLUTION 3 – Re-election of Mr. Gary Williams

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

“That, Mr Gary Williams, a Director who was appointed as an additional Director on 29 November 2013, who retires in accordance with clause 12.4 of the Constitution and ASX Listing Rule 14.4, and being eligible for re-election, be re-elected as a Director.”

4. RESOLUTION 4 – Ratification of Issue of 33,333,333 Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the allotment and issue of 33,333,333 fully paid ordinary shares on 27 May 2014, as detailed in the Explanatory Statement accompanying the Notice of General Meeting, is hereby ratified.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 4 by a person (and any associates of such a person) who has participated in the issue. However, the Company will not disregard a vote if it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – Ratification of Issue of 779,000 Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the allotment and issue of 779,000 fully paid ordinary shares on 7 August 2014, as detailed in the Explanatory Statement accompanying the Notice of General Meeting, is hereby ratified.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 5 by a person (and any associates of such a person) who has participated in the issue. However, the Company will not disregard a vote if it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 – Approval of issue of Equity Securities for the purpose of ASX Listing Rule 7.1A

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

“That for the purposes of Listing Rule 7.1A and for all other purposes, the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated

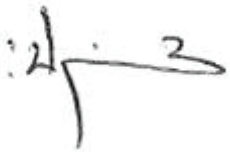
in accordance with the prescribed formula in Listing Rule 7.1A.2, be approved on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 6 by a person (and any associates of such a person) who may participate in the 10% placement capacity, a person who may obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed and any of their associates. However, the Company will not disregard a vote if it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or it is cast by the Chairman 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.

Other Business

To consider and deal with any other business that may be brought before the Meeting in accordance with the Constitution and the Corporations Act.

By Order of the Board of Directors

A handwritten signature in black ink, appearing to read 'Jakob Tsaban', with a stylized flourish at the end.

Jakob Tsaban
Non-Executive Director
South East Asia Resources Limited
23 October 2014

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting to be held at the Irish Club WA on Friday, 28 November 2014 at 1.00pm (AWST).

The purpose of the Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

This Explanatory Statement should be read in conjunction with the Notice. Capitalised terms and abbreviations in this Explanatory Statement are defined in the Glossary.

Financial Statements and Reports

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2014 together with the Directors' declaration and report in relation to that financial year and the auditor's report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report can be found on its website at www.southeastasiaresources.com.au/financialstatements.asp or on the ASX website in the Company's information page.

No resolution is required to be moved in respect of this item. Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide Shareholders a reasonable opportunity to ask the Company's auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the independent audit report;
- the accounting policies adopted by the Company in relation to the preparation of accounts; and
- the independence of the auditor in relation to the conduct of the audit.

Written questions may also be submitted to the Company's auditor on the content of the auditor's report in the 2014 Annual Report and the conduct of the audit. Such questions must be received by the Company Secretary at the Company's registered office no later than 5 business days before the Meeting.

1. Resolution 1 – Adoption of Remuneration Report

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, this resolution is advisory only and does not bind the Directors of the Company.

The Remuneration Report is set out in the Company's 2014 Annual Report and explains the Board policies in determining the nature and level of remuneration paid to Directors, the relationship between remuneration and Company performance, sets out remuneration details for each Director and any service agreements and sets out the details of any share based compensation.

Shareholders will be provided with a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report at the Meeting.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice.

In particular, the Directors and other 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 Chairman, and expressly authorises the Chairman to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. Please carefully follow the instructions on the Proxy Form to ensure that you expressly authorise the Chairman to vote undirected proxies.

Shareholders are urged to provide a direction to the proxy on how to vote on this Resolution.

2. Resolution 2 – Re-election of Mr. Jakob (Kobi) Tsaban

Pursuant to clause 12.2 of the Constitution, at every annual general meeting, one third of the Directors for the time being must retire from office by rotation and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-election, or who have been longest in office since their appointment or last re-election or, if the Directors have been in office for an equal length of time, by agreement.

These requirements for a Director to retire do not apply to a Managing Director.

In accordance with the above, Mr Jakob (Kobi) Tsaban, being a Director, retires by rotation at the Meeting and, being eligible, offers himself for re-election as a Director.

Mr Jakob Tsaban was appointed as a Non-Executive Director on 18 October 2013.

Mr Jakob Tsaban has 20 years experience in international financial, strategic planning and due diligence, including nine years as Chief Financial Officer of 3M Group Israel, where he held responsibilities for the financial, IT and logistics servicing for this multinational company's subsidiary, dealing among other divisions with the mining and aviation industries. He also has experience in mergers and acquisitions with Australian ASX listed companies. Mr Jakob Tsaban is also Chief Financial Officer of ORH Limited (ASX: ORH).

3. Resolution 3 - Re-election of Mr. Gary Williams

Clause 12.4 of the Constitution provides that the Directors may at any time appoint a person to be a Director as an addition to the existing Directors, but so that the total number of Directors does not exceed the maximum number specified by the Constitution. The number of Directors shall not exceed 9.

Pursuant to Clause 12.4 of the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken in to account in determining the Directors who are to retire by rotation at that meeting.

Mr Gary Williams was appointed as a Director on 29 November 2013.

Mr Gary Williams is an experienced international mining executive with formal qualifications as a mining engineer and mine manager, holding an MBA. As founder and Managing Director of the global mining materials handling company, Continental and Mining Services Group, as well as his previous positions as an executive with Cyprus Coal, Coal & Allied/CRA, Sheli and BP Coal, Mr Williams has more than 30 years' experience in the industry.

Mr Gary Williams has significant expertise in the exploration and development of world class, highly efficient open-pit, underground and resource infrastructure projects in Australia, Thailand, Indonesia, New Zealand, North & South America and South Africa.

During the past three years Mr Gary Williams has held no directorships in other ASX listed companies.

Pursuant to Clause 12.4 of the Company's Constitution, Mr Gary Williams, being a Director, offers himself for re-election as a Director.

4. Resolution 4 – Ratification of Issue of 33,333,333 Shares

4.1 Background

Resolution 4 is seeking ratification under Listing Rule 7.4 for the prior issue of 33,333,333 Shares on 27 May 2014. These securities were issued to unrelated parties of the Company and within the 15% annual limit permitted by Listing Rule 7.1 and therefore without the need for Shareholder approval. The

effect of Shareholders passing Resolution 4 and ratifying the issue will be to restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months.

Notwithstanding an approval by Shareholders of Resolutions 4 and 5, any further equity raisings would remain subject to the 15% limit set out in Listing Rule 7.1 (unless an exception under Listing Rule 7.2 applies).

4.2 Ratification under Listing Rule 7.4

Under Chapter 7 of the ASX Listing Rules there are limitations on the capacity of a company to enlarge its capital by the issue of equity securities without shareholder approval.

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 on issue at the commencement of the 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies a previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Ratification by the Shareholders of the Company is now sought pursuant to ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

Accordingly, the Company is seeking ratification by Shareholders for the past issue of 33,333,333 Shares in order to restore the Company's capacity to issue further securities in the next 12 months under Chapter 7 of the Listing Rules within the 15% limit.

4.3 Information required by Listing Rule 7.5

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders in relation to the Shares the subject of Resolution 4:

- (a) the total number of shares issued by the Company on 27 May 2014 was 33,333,333 Shares;
- (b) the Shares were issued at an issue price of \$0.015 per Share;
- (c) Shares issued are fully paid ordinary shares in the capital of the Company and rank equally in all respects with existing fully paid ordinary shares on issue;
- (d) The securities were issued to Eligible Persons under the Corporations Act and sourced by contacts of the Company's Directors.
- (e) The use of the funds raised was for working capital purposes; and
- (f) A voting exclusion statement is included in the Notice of Meeting.

4.4 Recommendation of the Board

The Directors recommend that Shareholders vote in favour of Resolution 4. This, together with Resolution 5, will restore the 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities without Shareholder approval.

The Chairman intends to exercise all undirected proxies in favour of Resolution 4.

5. Resolution 5 – Ratification of Issue of 779,000 Shares

5.1 Background

Resolution 5 is seeking ratification under Listing Rule 7.4 for the prior issue of 779,000 Shares on 7 August 2014. These securities were issued to unrelated parties of the Company and within the 15% annual limit permitted by Listing Rule 7.1; and therefore without the need for Shareholder approval. The

effect of Shareholders passing Resolution 5 and ratifying the issue will be to restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months.

Notwithstanding an approval by Shareholders of Resolutions 4 and 5, any further equity raisings would remain subject to the 15% limit set out in Listing Rule 7.1 (unless an exception under Listing Rule 7.2 applies).

5.2 Ratification under Listing Rule 7.4

Under Chapter 7 of the ASX Listing Rules there are limitations on the capacity of a company to enlarge its capital by the issue of equity securities without shareholder approval.

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 on issue at the commencement of the 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies a previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Ratification by the Shareholders of the Company is now sought pursuant to ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

Accordingly, the Company is seeking ratification by Shareholders for the past issue of 779,000 Shares in order to restore the Company's capacity to issue further securities in the next 12 months under Chapter 7 of the Listing Rules within the 15% limit.

5.3 Information required by Listing Rule 7.5

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders in relation to the Shares the subject of Resolution 4:

- (a) the total number of shares issued by the Company on 7 August 2014 was 779,000 Shares;
- (b) the Shares were issued at an issue price of \$0.018 per Share;
- (c) Shares issued are fully paid ordinary shares in the capital of the Company and rank equally in all respects with existing fully paid ordinary shares on issue;
- (d) The securities were issued to Mr Lui Kit Wei;
- (e) The use of the funds raised was to pay interest accrued on convertible bonds; and
- (f) A voting exclusion statement is included in the Notice of Meeting.

5.4 Recommendation of the Board

The Directors recommend that Shareholders vote in favour of Resolution 5. This, together with Resolution 4, will restore the 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities without Shareholder approval.

The Chairman intends to exercise all undirected proxies in favour of Resolution 5.

6. Resolution 6 - Approval of issue of Equity Securities for the purpose of ASX Listing Rule 7.1A

6.1 Overview

Resolution 6 seeks Shareholder approval by way of special resolution for the Company to have the ability to issue "**Equity Securities**" (as detailed in the Listing Rules and which include shares and

options to acquire shares) pursuant to the 10% Placement Capacity available under ASX Listing Rule 7.1A.

Listing Rule 7.1A was introduced on 1 August 2012 and allows mid to small cap listed entities to seek Shareholder approval to issue Equity Securities equivalent to an additional 10% of the number of ordinary securities on issue by way of placements over a 12 month period (**10% Placement Capacity**). This is in addition to the 15% permitted under listing rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less at the time of the AGM. The Company is currently an eligible entity for the purpose of Listing Rule 7.1A.

6.2 Description of Listing Rule 7.1A

(a) Shareholder Approval

The ability to issue Equity Securities under Listing Rule 7.1A is subject to Shareholder approval by way of special resolution at AGM. Approval cannot be sought at any other Shareholder's meeting and Equity Securities issued under the approval (if obtained) must be issued within 12 months after the date of the AGM.

(b) Equity Securities

Any Equity Securities issued by the Company under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of the Notice the Company has only one class of quoted Equity Securities on issue being Shares.

(c) Formula for calculating the 10% Placement Capacity

Listing Rule 7.1A.2 provides the formula to determine the maximum number of Equity Securities that may be issued under the 10% Placement Capacity and is calculated as follows:

$$\text{Number Equity Securities} = (A \times D) - E$$

A is the number of Shares on issue 12 months before the date of issue or agreement:

- 1) plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2;
- 2) plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- 3) plus the number of Shares issued in the 12 months with approval of holders of Shares under Listing Rule 7.1 or 7.4. This does not include an issue of Shares under the entity's 15% placement capacity without Shareholder approval;
- 4) less the number of Shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

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

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice the Company has on issue 312,520,518 Shares and therefore would have the capacity to issue:

- (i) 46,878,078 Equity Securities under Listing Rule 7.1; and
- (ii) 31,252,052 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) above).

(e) 10% Placement Period

Shareholder approval of the 10% Placement Capacity under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),
(10% Placement Period).

6.3 Listing Rule 7.1A

The effect of Resolution 6 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

6.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Capacity as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities, calculated over the 15 Trading Days on which trades in the Company's Equity Securities 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 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,
 or such longer period if allowed by ASX.
- (b) If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of an issue price of \$0.017 per Share (being the closing price of the shares on ASX on 26 September 2014) and the

current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the assumed issue price of \$0.017 per Share has decreased by 50% and where it has increased by 100%.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.008 50% decrease in Issue Price	\$0.017 Issue Price	\$0.034 100% increase in Issue Price
Current Variable A 312,520,518 Shares	10% Voting Dilution	31,252,052 Shares	31,252,052 Shares	31,252,052 Shares
	Funds raised	\$250,016	\$531,285	\$1,062,570
50% increase in current Variable A 468,780,777 Shares	10% Voting Dilution	46,878,078 Shares	46,878,078 Shares	46,878,078 Shares
	Funds raised	\$375,025	\$796,927	\$1,593,855
100% increase in current Variable A 625,041,036 Shares	10% Voting Dilution	62,504,104 Shares	62,504,104 Shares	62,504,104 Shares
	Funds raised	\$500,033	\$1,062,570	\$2,125,140

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
 - (ii) None of the unlisted options or bonds that the Company current has on issue are exercised into Shares before the date of the issue of the Equity Securities;
 - (iii) None of the unlisted performance shares that the Company current has on issue are exercised into Shares before the date of the issue of the Equity Securities;
 - (iv) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
 - (vi) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vii) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes listed or unlisted options or performance Shares, it is assumed that those options and or performance Shares are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (vii) The issue price is \$0.017, being the closing price of the Shares on ASX on 26 September 2014.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period.
 - (d) The Company may seek to issue the Equity Securities for the following purposes:
 - (i) In consideration of the acquisition of new resources assets and investments, in which case the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or

- (ii) to raise funds, in which case the Company intends to use the funds raised towards advancing specific Company projects and/or exploration and feasibility study expenditure on the Company's current assets and/or general working capital and/or identification, due diligence and acquisition of new assets or investments (including expense associated with such acquisition).

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Capacity may be the vendors of the new resources assets or investments.

- (f) The Company obtained Shareholder approval for the 10% Placement Capacity at its 2013 Annual General Meeting.

During the 12 months prior to the date of this Notice, the company issued 61,568,241 equity securities representing 24.53% of the total number of equity securities on issue 12 months ago.

Number of Equity Securities Issued	Class of Equity Securities Issued	Name of Person to Whom Equity Securities were Issued to	Issue Price	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds. If issued for non-cash consideration – a description of the consideration and the current value of the consideration	Discount
2,500,000	Shares	Midland Energy	N/a	Non-cash consideration. Shares issued as part payment of option extension fee. Current value of consideration is \$42,500	N/a
11,728,395	Shares	PA Broad Opportunity IV Limited	N/a	Non-cash consideration. Shares issued on conversion of convertible bonds to equity. Current value \$199,383	N/a
33,333,333	Shares	Various shareholders	\$0.015	Issued for cash. Total consideration: \$500,000. Proceeds used to fund working capital. Nil remaining funds.	0%
13,227,513	Shares	PA Broad Opportunity IV Limited	N/a	Non-cash consideration. Shares issued on conversion of convertible bonds to equity. Current value \$224,868	N/a

Number of Equity Securities Issued	Class of Equity Securities Issued	Name of Person to Whom Equity Securities were Issued to	Issue Price	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds. If issued for non-cash consideration – a description of the consideration and the current value of the consideration	Discount
779,000	Shares	Advisor	\$0.018	Issued for cash. Total consideration: \$14,022. Proceeds used to fund interest on convertible bonds. Nil remaining funds.	18%
Total: 61,568,241					

1. On 31 October 2013, the Company issued 2,500,000 ordinary shares at a deemed value of \$0.02 per share as part payment of the \$75,000 option fee regarding the option granted to the Company to acquire Tiger Coal Pty Ltd and Energy Investments Pty Ltd. The issue of these shares was approved by shareholders at the General Meeting on 29 October 2013.
2. On 1 November 2013, the Company issued 11,728,395 shares at a deemed value of \$0.0162 per share for conversion of convertible bonds. The issue of these shares was approved by shareholders at the General Meeting on 29 November 2013.
3. On 27 May 2014, the Company issued 33,333,333 ordinary shares at \$0.015 per share for working capital purposes.
4. On 8 July 2014 the Company issued 13,227,513 shares at a deemed value of \$0.015 per share for the conversion of convertible bonds. The issue of these shares was approved by shareholders at the General Meeting on 29 November 2013.
5. On 7 August 2014, the Company issued 779,000 ordinary shares at \$0.018 per share to pay interest accrued on convertible bonds.

After allowing for existing cash reserves, the Company has spent approximately \$514,022 of the cash consideration received from the issue of the equity securities.

- (g) A voting exclusion statement is included in the Notice. As at the date of this Notice, the Company does not yet know, nor has it formed an intention in relation to how it will decide, which parties it may approach to participate in any issue that may ultimately be made. Therefore, no Shareholders will be excluded from voting on Resolution 6 as no Shareholder has an interest in the outcome of the Resolution that is potentially different from that of any other Shareholder.

6.5 Recommendation of the Board

The Directors consider that the approval of the issue of the Equity Securities (as described above) is beneficial for the Company as it provides it with the flexibility to issue up to a greater number of shares than it is currently able to do so under ASX Listing Rule 7.1 in the next 12 months (without further shareholder approval), should it be required. The Directors recommend Shareholders vote in favour of the Resolution.

7. Enquiries

Shareholders are encouraged to contact the Company Secretary on (+61 8) 6489 0600 if they have any queries in respect to the matters set out in the Notice and Explanatory Statement.

GLOSSARY

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

Accounting Standards	has the meaning given to that term in the Corporations Act.
Annual General Meeting or Meeting	the Annual General Meeting of Shareholders convened for the purposes of considering the Resolutions.
Annual Report	the annual report of the Company for the year ended 30 June 2014.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
AWST	Australian Western Standard Time.
Board	Board of Directors.
Closely Related Party	has the meaning given to that term in the Corporations Act.
Company or SXI	South East Asia Resources Limited (ACN 009 144 503).
Constitution	Constitution of the Company.
Corporations Act	Corporations Act 2001 (Cth).
Director	a Director of the Company.
Eligible Persons	means sophisticated and professional investors within the meaning of sections 708 (8) and (11) of the Corporations Act, and persons to whom section 708(1) of the Corporations Act applies.
Equity Securities	has the same meaning as in the Listing Rules.
Explanatory Statement	the explanatory statement accompanying the Notice of Meeting.
Key Management Personnel or KMP	has the meaning given to that term in the Accounting Standards.
Listing Rules	the Listing Rules of the ASX.
Notice	the notice of Annual General Meeting accompanying the Explanatory Statement.
Option	an option to acquire a Share.
Proxy Form	the proxy form attached to this Notice.
Remuneration Report	the remuneration report of the Company included in the Directors' Report section of the Company's Annual Report.
Resolution	a resolution to be considered at the Meeting as contained in the Notice.
Restricted Voter	means Key Management Personnel and their Closely Related Parties.
Share	a fully paid ordinary share in the capital of the Company.
Shareholder	a registered holder of a Share.
Trading Day	means a day determined by ASX to be a trading day in accordance with the Listing Rules.
VWAP	means volume weight average price.

Voting, Proxy Appointment and Meeting Instructions

HOW TO VOTE

Shareholders can vote by either:

- (a) attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- (b) appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice and by submitting their proxy appointment and voting instructions in person, by post, or by facsimile.

VOTING IN PERSON (OR BY ATTORNEY)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the Meeting.

PROXY FORM

To be effective, the Proxy Form (and any power of attorney or other authority, if any, under which it is signed) or a copy of facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be validly completed and returned by

- (a) **Person:** Computershare Investor Services Pty Ltd, Level 2, 45 St George's Terrace, PERTH WA 6000;
- (b) **Post:** Computershare Investor Services Pty Ltd, GPO Box 242, MELBOURNE VIC 3001; or
- (c) **Facsimile:** 1800 783 447 (within Australia) or (+61 3) 9473 2555 (outside Australia);

so that it is received not later than 1.00pm (AWST) on Wednesday, 26 November 2014.

Proxy Forms received later than this time will be invalid.

VOTING BY PROXY

Please note that a Shareholder entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies. The proxy may, but need not be, a member of the Company and may be an individual person or a body corporate. A body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy. Each proxy will have the right to vote on a poll and also to speak at the Meeting.

The appointment of a proxy may specify the proportion or the number of votes that the proxy is appointed to exercise, but where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes that each proxy may exercise, each proxy may exercise half of the votes.

If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter (other than the Chairman) is appointed as a proxy, the proxy may only vote on Resolution 1, if the proxy is specifically instructed to do so. Accordingly, if you intend to appoint a Restricted Voter (other than the Chairman) as your proxy, please ensure that you direct them how to vote in relation to Resolution 1.

If you appoint the Chairman as your proxy please ensure that you expressly authorise him how to vote in relation to Resolution 1, in accordance with the instructions on your proxy form.

Should any resolution, other than those specified in the Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

Shareholders who return their Proxy Form with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the meeting, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction how to vote will be used where possible to support each of the Resolutions proposed in the Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions.

VOTING BY A CORPORATION

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. Any such appointment must comply with the execution and appointment requirements set out on the Proxy Form and otherwise with the provisions of sections 127 and 250D of the Corporations Act or with the legal requirements of the country in which that corporate Shareholder was incorporated. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed. Shareholders can download and fill out the 'Appointment of Corporate Representation' form from Computershare's website at www.investorcentre.com under the information tab, "Downloadable Forms".

VOTING ENTITLEMENTS

In accordance with Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of Shareholders as at 5.00 pm (AWST) on Wednesday, 26 November 2014. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the Meeting.

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

└ 000001 000 SXI
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

For your vote to be effective it must be received by 1.00pm (AWST) Wednesday, 26 November 2014

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the 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 in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged 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, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View the annual report 24 hours a day, 7 days a week:

www.southeastasiaresources.com.au

View and update your securityholding:

www.investorcentre.com

Your secure access information is:

SRN/HIN: I999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of South East Asia Resources Limited hereby appoint

☐

the Chairman
of the Meeting OR



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, 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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of South East Asia Resources Limited to be held at The Irish Club WA, 61 Townshend Road, Subiaco, Western Australia on Friday, 28 November 2014 at 1.00 pm (AWST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolution: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

STEP 2

Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Non-binding Resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr. Jackob (Kobi) Tsaban	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr. Gary Williams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Issue of 33,333,333 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Issue of 779,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of issue of Equity Securities for the purpose of ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

_____ / _____ / _____

Date

S X I

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Computershare +