
EQUATOR RESOURCES LTD

ACN 127 411 796

NOTICE OF MEETINGS

General Meeting of Shareholders

TIME: 10.30am (WST)

DATE: 6 May 2015

PLACE: Hougoumont Hotel
Conference Room
15 Bannister Street
Fremantle, Western Australia

Special Meeting of Liberian Vendor Shareholders

TIME: 11am (WST) or immediately following the completion of the General Meeting

DATE: 6 May 2015

PLACE: Hougoumont Hotel
Conference Room
15 Bannister Street
Fremantle, Western Australia

The Independent Expert has concluded that the transaction the subject of Resolution 6 of the General Meeting is FAIR AND REASONABLE to Shareholders.

All Shareholders should refer to the Independent Expert's Report enclosed with this Notice of General Meeting.

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on 0435 905 770.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the General Meeting and Special General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.30am AWST on Wednesday 6 May 2015 at:

Hougoumont Hotel - Conference Room, 15 Bannister Street, Fremantle Western Australia

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the General Meeting and Special General Meeting are those who are registered Shareholders at 4pm AWST on Monday 4 May 2015.

VOTING IN PERSON

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

VOTING BY PROXY

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

- post to MVP Capital, PO Box 1046, South Perth WA 6951;
- send by facsimile to MVP Capital on facsimile number (08) 9217 2401 (within Australia) or +61 8 9217 2401 (outside Australia); or
- email to eryn@kestelcorp8.com.au,

so that it is received not later than 48 hours prior to the meeting.

Proxy Forms received later than this time will be invalid.

NOTICE OF GENERAL MEETING

Notice is given to the Shareholders of the Company that a General Meeting will be held at 10.30am AWST on Wednesday 6 May 2015 at Hougoumont Hotel - Conference Room, 15 Bannister Street, Fremantle Western Australia.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of General Meeting.

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

AGENDA

1 RESOLUTION 1 – APPROVAL TO ISSUE SHARES UNDER PLACEMENT TO MR DANIEL ARNOLD

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 3,200,000 Shares to Mr Daniel Arnold (or his nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Daniel Arnold (and his nominees) and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – APPROVAL TO ISSUE SHARES UNDER PLACEMENT TO RELATED PARTY – MR CHARLES WATERMAN

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 836,983 Shares to Mr Charles Waterman (or his nominees) on the terms and conditions set out in the Explanatory Statement.”

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

3. RESOLUTION 3 – APPROVAL TO ISSUE SHARES UNDER PLACEMENT TO RELATED PARTY – MR NEVILLE CRIDGE

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Shares to Mr Neville Cridge (or his nominees) on the terms and conditions set out in the Explanatory Statement.”

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

4. RESOLUTION 4 – APPROVAL FOR THE PLACEMENT OF SHARES

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 12,000,000 Shares to Ore Search Drilling (or their nominee or nominees) for the purposes and on the terms set out in the Explanatory Statement accompanying this Notice.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Ore Search Drilling and their nominee or nominees and any associates of Ore Search Drilling and their nominee or nominees. 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 if it is cast by a person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

5. RESOLUTION 5 – APPROVAL TO MAKE SELECTIVE REDUCTION OF CAPITAL

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

“That, subject to the passing of Resolution 1 at the Special General Meeting, in accordance with Section 256C(2) of the Corporations Act and for all other purposes, approval is given for the Company to make a selective reduction of capital and cancel:

(a) up to 44,476,294 Shares; and

(b) 1 Class B Performance Share,

held by the Liberia Vendor Shareholders on the terms and conditions and for the purpose set out in the Explanatory Statement accompanying this Notice.”

6. RESOLUTION 6 – DISPOSAL OF INTEREST IN THE SHARE CAPITAL OF BUKON JEDEH HOLDINGS LTD

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

"That, subject to and conditional upon the passing of Resolution 5 at the Meeting, for the purposes of ASX Listing Rules 10.1 and 11.2 and for all other purposes, approval is given for the disposal by the Company of its interest in the share capital of Bukon Jedeh Holdings Ltd on the terms and conditions and for the purpose set out in the Explanatory Statement."

Independent Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of Shareholder approval under ASX Listing Rule 10.1. The Independent Expert's Report comments on the fairness and reasonableness of the transaction the subject of Resolutions 5 and 6 to the non-associated Shareholders in the Company. **The Independent Expert has concluded that the transaction related to the Disposal the subject of Resolutions 5 and 6 is FAIR AND REASONABLE to non-associated Shareholders.**

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by a party to the Disposal the subject of Resolutions 5 and 6, any party who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the Resolution is passed and any associates 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 if it is cast by a 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.

7. RESOLUTION 7 – ELECTION OF MR NEVILLE CRIDGE AS DIRECTOR

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

"That, in accordance with clause 7.1(b) of the Company's Constitution and for all other purposes, Mr Neville Cridge, who was appointed as an additional Director, offers himself for election, having consented to act as a Director of the Company and being eligible, is hereby elected as a Director of the Company."

8. RESOLUTION 8 - ELECTION OF MR MICHAEL ROBERTS AS DIRECTOR

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

"That, in accordance with clause 7.1(b) of the Company's Constitution and for all other purposes, Mr Michael Roberts, who was appointed as an additional Director, having consented to act as a Director of the Company and being eligible, is hereby elected as a Director of the Company."

DATED: 7 APRIL 2015

BY ORDER OF THE BOARD

**ERYN KESTEL
COMPANY SECRETARY**

BUSINESS OF THE SPECIAL GENERAL MEETING

Notice is given to the Shareholders of the Company that a Special General Meeting will be held at 11am AWST on Wednesday 6 May 2015 at Hougoumont Hotel - Conference Room, 15 Bannister Street, Fremantle Western Australia.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Special General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of General Meeting.

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

AGENDA

1. RESOLUTION 1 – APPROVAL FOR CANCELLATION OF SHARES AND CLASS B PERFORMANCE SHARE

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

"That, in accordance with Section 256C(2) of the Corporations Act and for all other purposes, approval is given by the Liberia Vendor Shareholders for the Company to cancel the following Shares and Class B Performance Share held by the Liberia Vendor Shareholders:

(a) up to 44,476,294 Shares; and

(b) 1 Class B Performance Share,

on the terms and conditions and for the purpose set out in the Explanatory Statement accompanying this Notice."

DATED: 7 APRIL 2015

BY ORDER OF THE BOARD

**ERYN KESTEL
COMPANY SECRETARY**

EXPLANATORY STATEMENT

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

1. BACKGROUND

The Company acquired interests in permits prospective for gold and iron in Liberia, West Africa in June 2011 when it acquired 100% of the shares in Liberian company Bukon Jedah Holdings Ltd (**BJH**).

Following that acquisition, the Company engaged in the exploration of its assets in Liberia.

In September 2013, the Company requested a voluntary suspension of its shares on ASX pending an announcement regarding new funding arrangements, however the discussions on new funding arrangements broke down and the Company has remained suspended since September 2013. Prior to the suspension, the Company has managed to raise small amounts of money to address its critical working capital requirements. However, it has since been unable to secure substantial support for the Company on the back of its Liberian assets.

The Directors during this period have been focussed on restructuring the Company and in February 2014 announced a plan to dispose of its Liberian assets, through the sale of 100% of the shares in BJH to the original Liberian Vendor Shareholders in consideration for the cancellation of all shares held by those Liberian Vendor Shareholders in the Company.

Since that time, the Company has been working with those Liberian Vendor Shareholders on various commercial elements of the transaction.

The intention of the Company is to dispose of the Liberian assets, through the disposal of the Company's interest in BJH, and re-focus the Company's attention on its long held Northern Territory assets, while also undertaking the necessary steps to tidy up various corporate and compliance requirements that it has been unable to satisfy during the last 18 months while its cash position has been critical. The Company will also be seeking new funding to enable it to satisfy ASX that the Company is in a sufficient state to be re-instated to trading on ASX as soon as possible.

The purpose of the resolutions outlined in this Notice of Meeting therefore is to consider resolutions relating to:

- (a) the sale of BJH and the selective capital reduction of Shares held by the Liberian Vendor Shareholders in the Company held by the Liberian Vendor Shareholders in the Company. A list of the Liberian Vendor Shareholders and their Shares being cancelled is set out in Schedule 1;
- (b) approval for the voting power of Ross Francis Stanley, one of the Company's largest Shareholders and supporters, to increase over 20% as a result of the Selective Capital Reduction;

- (c) the approval for the issue of Shares to various parties that provided placement funds in 2013 without receiving their Shares due to the requirements of the ASX Listing Rules at the time;
- (d) the approval for the issue of Shares for the raising of new funds to provide short term funding to the Company, for allocation towards its corporate and regulatory obligations; and
- (e) the re-election of Directors who have been appointed Directors since the Company's last general meeting.

All of the information required for the purposes of the General Meeting is set out in this Notice.

2. RESOLUTION 1 – APPROVAL TO ISSUE SHARES TO MR DANIEL ARNOLD

2.1 Background

Resolution 1 seeks the approval of Shareholders to issue insert Shares to Mr Daniel Arnold (or his nominee).

In June 2013, the Company undertook a placement of Shares from various sophisticated investors to raise \$223,424 through the issue of 3,000,000 Shares and 3,000,000 Options exercisable on or before [23] May 2014. At the time, Mr Daniel Arnold contributed \$80,000 to the Company under the placement, but did not receive any Shares (or Options) because, as a Director, the Company was not entitled to issue the Shares or Options to Mr Arnold (or his nominees) without Shareholder approval. Mr Arnold retired as a Director on 12 July 2013.

The Company now seeks approval to issue to Mr Arnold (or his nominees) the Shares for which he has paid, but for which he has not received his Shares. The Options that Mr Arnold would have received have since expired, and so the Company does not seek approval for the issue of those Options.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Company to issue the Shares pursuant to Mr Arnold (or his nominee) to complete the Company's obligations after receiving his placement funds in 2013 during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

2.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 1:

- (a) the maximum number of Shares to be issued is 3,200,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the deemed issue price will be \$0.025 per Share;

- (d) the Shares will be issued to Mr Daniel Arnold (or his nominee), who is not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the funds received for the Shares in 2013 have already been utilised by the Company to meet the Company's working capital requirements in the period following the receipt of the funds, and so no further funds will be raised from this issue.

3. RESOLUTIONS 2 AND 3 – APPROVAL TO ISSUE SHARES TO RELATED PARTIES

3.1 General

Section 2.1 above outlines the circumstances behind the placement undertaken by the Company in 2013.

Current Directors, Mr Neville Cridge and Mr Charles Waterman, also provided funds to the Company for that placement, however were unable to receive their respective Shares and Options because of the need for Shareholder approval.

Resolutions 2 and 3 now seek that approval to issue those Shares to Mr Cridge and Mr Waterman (or their respective nominees) (**Related Parties**). Approval for the Options is not being sought, as the Options that would have been issued expired in May 2014.

3.2 Chapter 2E of the Corporations Act

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

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

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

The issue of the Shares to the Related Parties constitutes giving a financial benefit and who are related parties of the Company by virtue of being Directors.

The Directors (other than Mr Cridge and Mr Waterman who have a material personal interest in Resolutions 2 and 3 respectively) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Shares under Resolutions 2 and 3 as the Related Parties participated in the placement on the same terms as all unrelated investors at the time, but did not receive their respective Shares and Options at that time.

3.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person

whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Shares involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

3.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 2 and 3:

- (a) the Shares will be issued to Mr Neville Cridge and Mr Charles Waterman (or their nominees);
- (b) the number of Shares to be issued is:

Related Party	No. of Shares
Charles Waterman (Resolution 2)	836,983
Neville Cridge (Resolution 3)	1,000,000

- (c) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (d) the Shares will be issued for a deemed cash consideration of \$0.025, being the amount paid by each of the Related Parties to the Company in 2013 for the placement; and
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the funds received for the Shares in 2013 have already been utilised by the Company to meet the Company's working capital requirements in the period following the receipt of the funds, and so no further funds will be raised from this issue.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Shares to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of Shares to Charles Waterman (or his nominee) and Neville Cridge (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

4. RESOLUTION 4 – APPROVAL FOR THE PLACEMENT OF SHARES

Resolution 4 seeks Shareholder approval for the Company to issue up to 12,000,000 Shares to Ore Search Drilling or its nominee (**Ore Search Drilling**), an Isle of Man company conducting business in West Africa since 1986.

In recognition of Ore Search Drilling providing \$300,000 worth of project drilling in the second drill program in Liberia in 2013, the Company has entered into an in-principal agreement with Ore Search Drilling dated 15 April 2013, the terms of which include the payment for this drilling service by way of the issue of Shares.

The Company proposes a deemed Share issue price of A\$0.025, being the issue price in the placement of Securities to offshore investors announced to the ASX in June 2013; which has been set as a bench mark price by the Company, as the Company has not traded on ASX since that date.

4.1 ASX Listing Rule Requirements

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

Resolution 4 seeks Shareholders' approval, for the purposes of ASX Listing Rule 7.1, to the issue of Shares to Ore Search Drilling.

4.2 Technical Information Required by ASX Listing Rule 7.3

The following information is provided to Shareholders in accordance with ASX Listing Rule 7.3 to assess the merits of Resolution 4:

- (a) the maximum number of Securities to be issued to Ore Search Drilling is 12,000,000 Shares;
- (b) the Shares will be issued at a deemed share price of \$0.025;
- (c) the Shares will be issued to Ore Search Drilling (or its nominee(s)) no later than three (3) months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) it is intended that issue of the Shares will occur on one date;
- (e) the Shares are to be issued on the same terms and rank equally with all existing Shares;
- (f) no funds will be raised from the issue as the Securities are being issued to Ore Search Drilling in consideration for drilling services previously provided to the Company by Ore Search Drilling, to the value of \$300,000 in the second drill program at the Company's Liberian assets in 2013; and
- (g) Ore Search Drilling is not a related party of the Company.

5. RESOLUTION 5 – APPROVAL FOR SELECTIVE REDUCTION OF CAPITAL

5.1 Background

As indicated in Section 1 above, the Company has entered into separate agreements with each of the Liberian Vendor Shareholders to transfer the Company's interest in BJH to the Liberian Vendor Shareholders as outlined in Schedule 1, in consideration for the cancellation of all of the Shares and Options held by each Liberian Vendor Shareholder in the Company.

The key terms of the individual agreements with the Liberian Vendor Shareholders are set out below:

- (a) Completion of the Disposal is subject to and conditional on:
 - (i) the Shareholders of the Company approving the sale and transfer of the BJH shares under the Agreement from the Company to the Liberian Vendor Shareholders under ASX Listing Rule 11.2;
 - (ii) all of the Liberian Vendor Shareholders executing irrevocable powers of attorney in relation to the Special General Meeting to be held after the General Meeting; and
 - (iii) the Company entering into share sale agreements with each of the Liberian Vendor Shareholders on substantially the same terms.
- (b) The consideration payable by the Liberian Vendor Shareholders to the Company is represented by the cancellation of a total of 44,476,294 Shares and 1 Class B Performance Share held by the Liberian Vendor Shareholders in the Company (as described in Resolution 5), write off of all Convertible Loans totalling \$446,610 owing to some of the Liberian Vendor Shareholders members and, in purchasing the Shares in BJH, the Liberian Vendor Shareholders will also assuming creditors to the value of approximately \$1,248,940.
- (c) The Agreement is governed by Australian law.
- (d) Niles Helmboldt and Charles Waterman will also resign as Directors of the Company.

A list of the Liberian Vendor Shareholders, and their respective interests in Shares and the 1 Class B Performance Share in the Company is set out in Schedule 1.

The purpose of Resolution 5 is to seek the approval of Shareholders for the Company to undertake a selective reduction of capital of the Company for the purpose of enabling the Company to cancel the Shares and the 1 Class B Performance Share on issue held by the Liberian Vendor Shareholders. The Options held by the Liberian Vendor Shareholders which were to be cancelled as per the agreements entered into between each Liberian Vendor Shareholder and the Company have expired.

The effect of Resolution 5 will be a selective capital reduction of 44,476,294 Shares held by the Liberian Vendor Shareholders and 1 Class B Performance Share held by Metector Limited. See the table below with respect to the movements in the capital structure of the Company.

5.2 Corporations Act

Pursuant to Section 256C of the Corporations Act, a company may make a selective capital reduction if it is approved by a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced.

The Corporations Act provides that the rules relating to a reduction of share capital are designed to protect the interests of shareholders and creditors by:

- (a) addressing the risk of the transaction leading to the Company's solvency;

- (b) seeking to ensure fairness between the shareholders of the Company; and
- (c) requiring the Company to disclose all material information.

In particular, Section 256B of the Corporations Act requires that a Company may only reduce its capital if:

- (a) it is fair and reasonable to the shareholders as a whole;
- (b) it does not materially prejudice the Company's ability to pay its creditors; and
- (c) it is approved by shareholders in accordance with Section 256C of the Corporations Act.

Section 256C(4) of the Corporations Act requires that the Company must include with the Notice a statement setting out all information known to the Company that is material to the decision on how to vote on the resolution. However, the Company does not have to disclose information if it would be unreasonable to require the Company to do so because the Company had previously disclosed the information to shareholders.

The Directors believe that the capital reduction as proposed is fair and reasonable to shareholders for the following reasons:

- (a) the capital reduction will only result in the cancellation of the Shares issued to the Liberian Vendor Shareholders and the Performance Share held by Metector Limited;
- (b) in light of the difficulty that the Company has had in exploring and developing the assets in Liberia, the ongoing security and health concerns regarding operating in Liberia and the difficult market conditions that have seen the Company placed into the position that it is now in, the disposal of the Liberian assets does not appear likely to have a negative effect on the Company;
- (c) by disposing of its interest in BJH, the Company will not be required to spend any further money on the Liberian assets, which may assist it in focussing on its long held Northern Territory assets, as well as focussing on identifying an asset that may support the Company undertaking a recapitalisation of the Company from its current position;
- (d) the cancellation of the Shares and Class B Performance Share will enhance the ability of the Company to attract and acquire additional projects for the Company; and
- (e) the reduction in capital will not prejudice the Company's ability to pay its creditors.

The Directors do not consider that there are any material disadvantages to the Company undertaking the selective capital reduction and disposing of its Liberian exploration assets, in particular given the existing state of the Company, its suspension from trading on ASX, and the inability of the Company to raise any funding on the back of those Liberian exploration assets. However, the Company notes that selective capital reduction may be considered to have the following risks/disadvantages:

- (a) the Company will not be able to participate in or derive any future potential profits from the exploration assets of BJH or BJR if any (although no forecast is made as to whether that will occur), should those assets be developed to production;
- (b) the Disposal involves the Company selling a principal asset, which may not be consistent with the investment objectives of all Shareholders;
- (c) there is a risk the Company may not be able to locate and complete the acquisition of other suitable investment opportunities within a reasonable time; and
- (d) the Disposal, involving the sale of the Company's main undertaking, may reduce the Company's prospects of being reinstated to trading on ASX's Official List.

Pursuant to Section 256C(2) of the Corporations Act, a selective reduction of capital must be approved by either:

- (a) a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced, or by their associates; or
- (b) a resolution agreed to, at a general meeting by all ordinary shareholders.

The Special General Meeting being held after the General Meeting, which will see the Liberian Vendor Shareholders vote on the selective capital reduction, is being held for the purpose of meeting the approval requirements (subject to all necessary resolutions being passed at the General Meeting).

5.3 Summary of and Effect of Proposed Selective Capital Reduction

The overall effect of the selective capital reduction and cancellation of the Shares held by the Liberian Vendor Shareholders is as follows:

Existing Capital Structure	Number
Shares currently on issue	130,098,286
Shares to be issued subject to Resolutions 1 to 4	17,036,983
Total Shares on issue	147,135,269
Unquoted Options currently on issue exercisable at \$0.25 on or before 11 July 2015	1,500,000
Total Options on issue	1,500,000
Performance Shares – Class B ¹	1
Total Performance Shares on issue	1
After Selective Reduction of Capital	
Shares	102,658,975
Unquoted Options exercisable at \$0.25 on or before 11 July 2015	1,500,000

1. The Class B Performance Shares on issue will be cancelled as part of the Selective Reduction of Capital process.

The Shares the subject of the selective capital reduction and cancellation represent 30.2% of the issued capital of the Company following the issue of all Shares contemplated under this Notice.

The primary effects of the capital reduction on the control of the Company will be to remove the Liberian Vendor Shareholders as shareholders of the Company as set out in Schedule 2 and increase the remaining Shareholders percentage interest in the Company.

As a result of the cancellation of the Shares under this Resolution 5, the interest of existing Shareholder, Mr Ross Stanley may increase to up to 21.3%. It is worth Shareholders noting that Mr Stanley does not have any direct interest in the outcome of Resolution 5 other than the consequential increase in his voting power caused by the cancellation of the Shares of the Liberian Vendor Shareholders.

Outlined in Schedule 2 and Schedule 3 is a pro forma balance sheet showing the effect of the Disposal on the Company and a list of the creditors that are also being transferred along with the Disposal, respectively.

5.4 Interests of Directors

Other than as set out in this Section 5.4, none of the Directors of the Company are a 'Liberian Vendor Shareholder' or have any interest in the Shares or Class B Performance Share to be cancelled under the selective capital reduction.

Mr Charles Waterman, who is a Director of the Company, is, through his nominated entities, a Liberian Vendor Shareholder and has entered into an agreement with the Company to agree to the cancellation of its Shares held by his nominated entity for the purpose of undertaking the Disposal. Mr Waterman is participating on the same terms and conditions as all other unrelated Liberian Vendor Shareholders, and is not perceived to be receiving any benefit other than being the holder of an interest in the entity which will receive an interest in BJH.

Mr Waterman will resign as a Director as part of this transaction.

Mr Niles Helmboldt, who is a Director of the Company, is, through his nominated entities, a Liberian Vendor Shareholder and has entered into an agreement with the Company to agree to the cancellation of its Shares and held by his nominated entity for the purpose of undertaking the Disposal. Mr Helmboldt is participating on the same terms and conditions as all other unrelated Liberian Vendor Shareholders, and is not perceived to be receiving any benefit other than being the holder of an interest in the entity which will receive an interest in BJH.

Mr Helmboldt will resign as a Director as part of this transaction.

In addition, Mr Daniel Arnold was previously a Director of the Company, but is no longer a Director and is not a related party of the Company under the Corporations Act. Mr Arnold again is participating in the selective capital reduction by virtue of being a Liberian Vendor Shareholder only, and will not receive any additional benefit other than as is being offered to all other Liberian Vendor Shareholders.

None of Mr Neville Cridge, Mr Robert Marusco or Mr Michael Roberts have any interests in the selective capital reduction and are not Liberian Vendor Shareholders.

5.5 The Company's current business plan

As outlined above, following the selective capital reduction, the Company intends to initially focus its attention on its long held Northern Territory exploration assets to re-assess their potential.

In addition, the Company will need to undertake significant work to enable the Company to be re-instated to trading on ASX, including updating its financial reports and raising additional capital. During this period, the Company is likely to assess additional project opportunities that it considers may be beneficial to Shareholders and enable the Company to move forward from its current position.

5.6 Conditional Resolutions

Resolutions 5 and 6 are inter-conditional, meaning that each of them will only take effect if both of them are approved by the requisite majority of Shareholders' votes at the Meeting. If either of Resolutions 5 or 6 at the General Meeting is not approved, neither of them will take effect and the Disposal and other matters contemplated by Resolutions 5 and 6 will not be completed pursuant to this Notice.

5.7 Other Material Information

There is no information material to the making of a decision by a Shareholder whether or not to approve Resolution 5 being information that is known to any of the Directors and which has not been previously disclosed to shareholders in the Company, other than as disclosed in this Explanatory Statement.

6. RESOLUTION 6 - DISPOSAL OF INTEREST IN THE SHARE CAPITAL OF BUKON JEDEH HOLDINGS LTD

6.1 Background

ASX has notified the Company that it has determined that the Company should seek the approval of its Shareholders under Listing Rule 10.1 for the disposal of its interest in BJH.

6.2 Listing Rules

ASX Listing Rule 10 deals with transactions between an entity (or any of its subsidiaries) and persons in a position to influence the entity.

ASX Listing Rule 10.1 provides that an entity (or any of its subsidiaries) must not acquire a substantial asset from, or dispose of a substantial asset to, any of the following persons without the approval of the entity's security holders. These persons include:

- (a) a related party;
- (b) a subsidiary;
- (c) a substantial holder, if the person and the person's associates have a relevant interest, or had a relevant interest at any time in the 6 months

before the transaction, in at least 10% of the total votes attached to the voting securities;

- (d) an associate of a person referred to in (a) to (c) above; or
- (e) a person whose relationship to the entity is such that, in ASX's opinion, the transaction should be approved by security holders.

ASX has determined that the interest of the Liberian Vendor Shareholders in the Company, when considered together, result in the Liberian Vendor Shareholders being 'substantial holders' for the purpose of ASX Listing Rule 10.1, and that the disposal of BJH constitutes the disposal of a substantial asset.

Accordingly, ASX requires the Company to seek approval under Listing Rule 10.1 for the disposal of BJH.

In addition, ASX Listing Rule 11.2 provides that where a company proposes to make a significant change in the nature or scale of its activities, which involves the disposal of its main undertaking, it must first obtain the approval of its shareholders.

Shareholders should be aware that following the proposed disposal of the Company's main undertaking, ASX may require the Company to seek shareholder approval pursuant to ASX Listing Rule 11.1.2 and/or re-comply with Chapters 1 and 2 of the Listing Rules pursuant to ASX Listing Rule 11.1.3 with respect of any future transaction the Company may enter into.

As set out in Section 5.4 above, Mr Charles Waterman and Mr Niles Helmboldt, who are both Directors of the Company, are both (through their associated entities) Liberian Vendor Shareholders, and will therefore may be perceived to obtain a financial benefit from the decision of the Company to dispose of BJH back to the Liberian Vendor Shareholders.

The Directors have outlined their reasons why they consider the disposal of BJH (through the reduction of capital) to be in the best interests of Shareholders in Sections 5.4 above. The Directors consider that these reasons are relevant to all Shareholders whether or not any of the Liberian Vendor Shareholders are related parties of the Company. [The reasons are also consistent with the advantages listed by the Independent Expert in the Independent Expert's Report enclosed with this Notice of meeting.]

Resolution 6 will only come into effect if Resolution 5, together with Resolution 1 at the Special General Meeting, are both passed.

All material information required for Shareholders to consider Resolution 6 is outlined in Sections 1 and 5 above, as well as in the Independent Expert's Report.

6.3 Independent Expert's Report

Under the Listing Rules, the Company is required to engage an independent expert to advise Shareholders whether the disposal the subject of the Listing Rule 10.1 approval is fair and reasonable to the non-associated Shareholders of the Company.

The Company has engaged Stantons International Securities Pty Ltd (**Stantons**) to prepare the Independent Expert's Report which is included together with this Notice of Meeting.

Stantons has determined that the disposal of BJH and the cancellation of the Shares held by the Liberian Vendor Shareholders is **FAIR AND REASONABLE** to the non-associated Shareholders of the Company.

All Shareholders are encouraged to read the Independent Expert's Report in detail and should you have any questions, speak to your professional adviser.

6.4 Other information

All other information necessary for consideration in relation to Resolution 6 is set out in Sections 1 and 5 above.

7. RESOLUTIONS 7 AND 8 – ELECTION OF MR NEVILLE CRIDGE AND MR MICHAEL ROBERTS AS DIRECTORS OF THE COMPANY

Clause 7.1(b) of the Company's Constitution states that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors and Directors so appointed hold office until the conclusion of the next Annual General Meeting of the Company whereby they are eligible for election.

7.1 Resolution 7 – Neville Cridge

Mr Neville Cridge was appointed on 2 May 2013 as an addition to the existing Directors. In accordance with Clause 7.1(b) of the Constitution and for all other purposes, Mr Cridge offers himself for election as a Director of the Company. Notwithstanding that this General Meeting is not an Annual General Meeting, the Company proposes Resolution 7 to enable Shareholders the opportunity to vote on Mr Cridge's continuing appointment as a Director.

Mr Cridge is the Managing Director of Powerhouse Holdings Pty Ltd since 2003 and NLC Linehaul Pty Ltd since 2008, both privately owned companies involved with the Transport and Logistics industries in Australia.

He is also a qualified financial Planner with over fifteen (15) years' experience in finance. In that time he has worked as an equities adviser in Australia with a number of stockbroking firms and has assisted many private and public companies with their capital raising requirements.

Mr Cridge was an Authorised Representative with Cunningham Securities Pty Ltd and a shareholder of Australian Financial Securities Pty Ltd both Licensed Securities Dealers, and has fulfilled underwriting positions from seed capital, IPO and placement investments with a large range of public companies. He was previously a director of Buyshop Ltd, an ASX listed company.

In his role in raising capital, Mr Cridge has successfully raised funds on IPO for a large number of listed companies, such as International Goldfields Ltd, Queste Communications Ltd, Fast Scout Ltd, RP Data, and Regal Petroleum to name a few.

7.2 Resolution 8 – Mr Michael Roberts

Mr Michael Roberts was appointed on 15 July 2013 as an addition to the existing Directors. In accordance with Clause 7.1(b) of the Constitution and for all other purposes, Mr Roberts offers himself for re-election as a Director of the Company. Notwithstanding that this General Meeting is not an Annual General Meeting, the Company proposes Resolution 8 to enable Shareholders the opportunity to vote on Mr Roberts' continuing appointment as a Director.

Mr Roberts is a highly respected professional director with immense international experience and particular expertise in natural resources and investment banking. He has a successful record as a CEO and as an investor in public and private companies. He has strong analytical skills and strategic vision complemented by excellent communication, negotiation and interpersonal skills.

Mr Roberts is currently Chairman of the BioWatt Group of companies as co-founder and part owner of BioWatt that is focused on producing biogas from industrial and municipal derived organic waste. He was also the Group Chief Executive Officer of Parkview Group companies based in UK; Chief Financial Officer of Hong Kong Parkview Group and also spent time with Merchant Banks located in Hong Kong and London.

Mr Roberts holds a Masters Degree in Natural Sciences Tripos from Cambridge University – MA.

GLOSSARY

\$ means Australian dollars

Agreement has the meaning given in the Explanatory Statement disclosures for Resolution 5 of this Notice.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

Board means the current board of directors of the Company.

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

Buy-back has the meaning given in the Explanatory Statement disclosures for Resolution 6.

Company means Equator Resources Ltd (ACN 127 411 796).

Constitution means the Company's constitution.

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

Directors are the current directors of the Company.

Disposal has the meaning given in the Explanatory Statement disclosures for Resolution 5.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Independent Expert means Stantons International Securities Pty Ltd.

Independent Expert's Report means the Independent Expert's Report attached at Annexure A.

New Shares means the Shares to be issued following approval of Resolutions 1 to 4 by Shareholders.

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

Option means an option to acquire a Share.

Ore Search Drilling means OreSearch Drilling Limited.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement, unless otherwise specified.

Security means a Share or an Option.

Selective Capital Reduction means the capital reduction of the Company's Shares if Resolution 5 is approved by Shareholders.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of one or more Shares.

SCHEDULE 1 – LIBERIAN VENDOR SHAREHOLDERS

Name	Shares Currently Held
Thomas J Augustyn	491,721
William Peter Blum	1,720,589
DiBenedetto Holdings LLC	10,574,562
Samuel Hoskinson	677,546
JWI LLC	5,136,790
Charles Waterman	1, 320,049
Scientific Industrial Systems Inc	5,732,662
Isaac Boadi	733,929
Frank Musah Dean	733,929
Niles Helmboldt	1,571,532
Kenneth Ross III	10,666,723
Fuad Jamil Kawar	1,235,260
Robert Kramer Kelley	2,547,074
James Vamba Kromah	366,964
Jehu A Richardson	366,964
Samuel Wyman	400,000
Jackson McDonald	400,000
TOTAL	44,476,294

The Liberian Vendor Shareholders do not hold any Options.

SCHEDULE 2 – PRO FORMA BALANCE SHEET

PRO FORMA BALANCE SHEET				
	Note	Last audited financial statements to 31 December 2012	Un Audited Pro Forma to 31 January 2015	Un Audited Pro Forma Post Completion of Disposal
ASSETS				
Current Assets				
Cash & cash equivalents		910,292	28,314	28,314
Trade & other receivables		88,423	0	0
Total Current Assets		998,715	28,314	28,314
Non-Current Assets				
Exploration expenditure	1	6,949,708	870,000	0
Plant & equipment	2	377,037	0	0
Total Non-Current Assets		7,326,037	870,000	0
Total Assets		8,325,460	898,314	28,314
Liabilities				
Current Liabilities				
Trade & other payables	3	578,509	1,841,974	608,034
Loans & borrowings	4	656,074	783,483	360,000
Total Current Liabilities		1,234,583	2,625,457	968,034
Net Assets		7,090,877	(1,727,143)	(939,720)
Equity				
Issued Capital		13,156,830	13,231,830	13,357,755
Reserves		1,491,453	1,491,453	1,491,453
Accumulated Losses		(7,557,406)	(16,450,426)	(15,788,928)
Total Equity	5	7,090,877	(1,727,143)	(939,720)

Note 1: The value of exploration assets are written down to \$870,000 per Completion of Disposal being the mid-point valuation as outlined in the valuation report completed by Al Maynard & Associates. Post Completion is reflected at \$Nil value on the basis that the Disposal to Liberian Vendor Shareholders has been finalised. It is also noted that the Company will hold a package of tenements Post Completion in the Northern Territory. These tenements have been written down to \$Nil consistent with the comments made in the Al Maynard & Associates valuation report.

Note 2: Plant & Equipment value has been written down to \$Nil. Advice from both in country directors and Oresearch (who completed the drilling work for the Company) indicates that the Plant & Equipment has been lost, destroyed or stolen by disgruntled locals who were not paid by the company for work completed. Oresearch advised that when the site was inspected the situation was very dangerous and there was no way of recovering any of these assets.

Note 3: Upon Completion of Disposal the company will divest itself of \$1,248,940 in creditors as outline in Schedule 3 which will remain with BJH which itself will be acquired by the Liberian Vendor Shareholders. The remaining creditors post Completion of approximately \$608,034 are made up of Australian based creditors including

outstanding directors fees to Australian based directors Robert Marusco and Neville Cridge and Oreserach Drilling which is owned \$326,337. Post transaction the Directors propose to work up a plan to recapitalise the Company deal with the creditors (most of which they have been in discussion with) and reset its strategy going forward.

Note 4: The Company hold a number of Convertible Notes. All of the Convertible Notes that relate to the Liberian Vendor Shareholders will be written off as part of the disposal of BJH. The remaining convertible note amount of \$360,000 is with Ross Stanley (who is also the largest shareholder in the Company) and is current to 17 August 2015. Post transaction the Directors propose to work up a plan to recapitalise the Company deal with the Convertible Notes as part of its recapitalisation plan.

Note 5: The Pro Forma Balance Sheet Post Completion of Disposal includes the effect of all resolutions in this Notice of Meeting.

SCHEDULE 3 – LIST OF ASSUMED CREDITORS

Creditor (As At 20 June 2014)	Amount AUD\$	Short Description
Maryland Rental	19,600	Concession annual rental cost
River Gee Rental	22,350	Concession annual rental cost
BJR MCA Rental	2,221	Concession annual rental cost
SGS - 2012	11,087	Assay work
SGS - 2013	33,284	Assay work
WAGS	18,628	Accommodations, meal supplies, etc
KBI	22,073	Rented dozer
Atlantic	5,000	Road construction
NASS CORP	17,703	Medical insurance
WHT	29,696	Withholding tax
Vehicle Insurance	6,315	Routine legal vehicle insurance
PKF	12,000	In country audit services
TAG Security	8,250	Security services
Monrovai Security	200	Security services
Greenville Security	15,020	Security services
James Kromah	59,975	In country accounting services
N Helmboldt Contract	642,667	Special payment & compensation
N Helmboldt reimbursement	40,863	Reimbursement of costs
Steve Wilson	13,200	Camp manager
Greenville Rental	2,200	House and storage compound
EPA Permits	13,000	Government fees
Tax Return	1,000	Tax return preparation costs
Ableby Group	3,675	Trustee fees for holding Special B class share for original vendors
Martin Hills	50,000	In country geologist
N Helmboldt	99,017	Outstanding directors fees & consultancy fees
C Waterman	49,958	Outstanding directors fees
M Roberts	49,958	Outstanding directors fees
TOTAL	1,248,940	

ANNEXURE A – INDEPENDENT EXPERT’S REPORT

PROXY FORM

**APPOINTMENT OF PROXY
EQUATOR RESOURCES LIMITED
ACN 127 411 796**

GENERAL MEETING

Name:

.....
.....

Address:

.....
.....

Contact Telephone No:

.....

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

☐

Chairman of the Meeting

Insert Name of Appointed Proxy Below

Or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and 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 General Meeting of Equator Resources Limited to be held at Wednesday 6 May 2015 at Hougoumont Hotel - Conference Room, 15 Bannister Street, Fremantle Western Australia at 10.30am (AWST) and at any adjournment of that meeting.

☐

If the Chair of the General Meeting is appointed as your proxy, or may be appointed by default, and you do not wish to direct your proxy how to vote as your proxy in respect of Ordinary Resolutions 1 to 8 and Special General Meeting Resolution 1 please place a mark in this box.

By marking this box, you acknowledge that the Chair of the General Meeting and Special General Meeting may exercise your proxy even if he has an interest in the outcome of Ordinary Resolutions 1 to 8 and Special General Meeting Resolution 1 and that votes cast by the Chair of the General Meeting for Resolutions 1 to 8 and Special General Meeting Resolution 1 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Ordinary Resolutions 1 to 8 and Special General Meeting Resolution 1 and your votes will not be counted in calculating the required majority if a poll is called.

If no directions are given, the Chair will vote in favour of all the Resolutions in which the Chair is entitled to vote undirected proxies.

Ordinary Resolutions

		For	Against	Abstain
Resolution 1.	Approval Share issue to Daniel Arnold	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2.	Approval Share issue to Charles Waterman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3.	Approval Share issue to Neville Cridge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4.	Approval for Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5.	Approval for selective reduction of capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6.	Disposal of share capital of Bukon Jedeh Holdings Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7.	Election of Neville Cridge as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8.	Election of Michael Roberts as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Special General Meeting

Resolution 1.	Cancellation of Shares & Class B Performance Share	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

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

PLEASE SIGN HERE

Individual or Member 1

Sole Director and
Sole Company Secretary

Member 2

Director

Member 3

Director/Company
Secretary

INSTRUCTIONS FOR COMPLETING APPOINTMENT PROXY FORM

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting and Special General Meeting are those who are registered Shareholders of the Company Wednesday 6 May 2015 at Hougoumont Hotel - Conference Room, 15 Bannister Street, Fremantle Western Australia.

1. Appointing a Proxy: A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. Direction to Vote: A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. Unless authorised by ASIC, if a member of Key Management Personnel or their Closely Related Parties is appointed as a proxy, they are not permitted to vote undirected proxies on remuneration matters (arising directly or indirectly in connection with remuneration of Key Management Personnel), related party benefit matters under Chapter 2E of the Corporations Act and any spill resolutions. However, the chair may vote a proxy that does not specify how it is to be voted, provided the member who has lodged the proxy has provided their consent in the proxy form for the chair to exercise the proxy in its discretion (save in relation to the remuneration report where a direction is required).
4. New sections 250BB and 250BC of the Corporations Act) these sections came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:
 - if proxy holders vote, they must cast all directed proxies as directed; and
 - any directed proxies that are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

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

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances: Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - (a) the proxy is not recorded as attending the meeting;
 - (b) the proxy does not vote on the resolution,

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

5. Signing Instructions:

- (Individual): Where the holding is in one name, the member must sign.
- (Joint Holding): Where the holding is in more than one name, all of the members should sign.
- (Power of Attorney): If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- (Companies): Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.

6. Attending the Meeting: Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is

suspended while the member is present at the General Meeting and Special General Meeting.

7. Return of Proxy Form: To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- post to MVP Capital, PO Box 1046, South Perth WA 6951;
- send by facsimile to MVP Capital on facsimile number (08) 9217 2401 (within Australia) or +61 8 9217 2401 (outside Australia); or
- email to eryn@kestelcorp8.com.au

so that it is received not later than 4pm AWST on Monday 4 May 2015.

Proxy Forms received later than this time will be invalid.

Equator Resources Limited
ACN 127 411 796

Corporate Representative Form

Please return this Appointment Form of Corporate Representative to the following address

MVP Capital Pty Ltd
PO Box 1046 SOUTH PERTH WA 6951
Or

Facsimile on (08) 9217 2401 (within Australia) +61 8 9217 2401 (outside Australia)

Shareholder Details

This is to certify that by a resolution of the directors of:

_____ ACN _____

(Insert Company Name)

(Insert Address)

The Company has appointed:

(Insert Name of Corporate Representative)

In accordance with the provisions of Section 250D of the Corporations Act to act as the Corporate Representative of the company to exercise all or any of the powers the company may exercise at the General Meeting and Special General Meeting of shareholders of Equator Resources Limited ACN 127 411 796 to be held on Wednesday 6 May 2015 and at any adjournment or postponement of the Annual General Meeting, or any meeting arising from the General Meeting and Special General Meeting.

Dated this day of 2015

Executed by

ACN
in accordance with section 127 of the
Corporations Act 2001:

Director

Director/Secretary

Name of Authorised Representative

Signed by Authorised Representative