



# **Notice of Extraordinary General Meeting and Explanatory Statement**

*An Extraordinary General Meeting of*

**COBAR CONSOLIDATED RESOURCES LIMITED**

*ABN 67 118 684 576*

*will be held at  
2:00pm on Tuesday 25 January, 2011*

*at*

*The RACV Club  
501 Bourke Street, Melbourne, Victoria, 3000*

This Notice of Extraordinary General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

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## ACTION REQUIRED BY SHAREHOLDERS

### Step 1:

**Read the notice of extraordinary general meeting and the explanatory statement.** The explanatory statement sets out details in relation to the resolution. This information is important.

### Step 2:

**Vote on the resolution.** Your vote is important. You may cast your vote by:

attending and voting at the meeting to be held at the RACV Club at 501, Bourke Street, Melbourne Victoria on Tuesday 25 January 2011 commencing at 2.00 pm; or

completing and returning the enclosed proxy form so as to be received by the Company at its registered office by 2.00 pm (EDT) on Sunday 23 January 2011; or

lodging your vote on-line at Cobar Consolidated Resources Limited Share Registry website [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

If you lodge your proxy electronically you will not need to return your proxy form by mail or fax.

**COBAR CONSOLIDATED RESOURCES LIMITED**  
ABN 67 118 684 576

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

Notice is hereby given that an Extraordinary General Meeting of Shareholders of Cobar Consolidated Resources Limited ("the Company") will be held at the RACV Club, 501 Bourke Street, Melbourne, Victoria on Tuesday 25 January 2011 at 2:00pm (EDT). The Explanatory Statement which accompanies and forms part of this Notice of Extraordinary General Meeting describes the various matters to be considered.

**SPECIAL BUSINESS**

**Resolution 1 – Ratification of Previous Share Placement to Magna Resources Corporation Pte Ltd (Magna)**

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 7.4, and all other purposes, ratification and approval is given for the issue and allotment of 16,000,000 fully paid ordinary shares in the capital of the Company at an issue price of \$0.408 per share to Magna Resources Corporation Pte Ltd "*

**Voting Exclusion Statement**

For the purposes of **Resolution 1** (ASX Listing Rule 7.4) the Company will disregard any votes cast on this resolution by or on behalf of Magna and any associate of Magna.

The Company, however, need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the chairperson of 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.

**Explanatory Statement**

The Explanatory Statement accompanying this Notice of Extraordinary General Meeting is incorporated in and forms part of this Notice of Extraordinary General Meeting.

Shareholders are referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in this Notice of Extraordinary General Meeting and Explanatory Statement.

## **Proxies**

Please note that:

- (a) a member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

## **“Snap-shot” Time**

The Company may, pursuant to the *Corporations Regulations 2001*(Cth), specify a time, not more than 48 hours before the meeting, at which a “snapshot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the meeting.

The Directors have determined that all Shares that are quoted on ASX at 7.00pm EST on 21 January 2011 shall, for the purposes of determining voting entitlements at the Extraordinary General Meeting, be taken to be held by the persons registered as holding the Shares at that time.

## **Corporate Representative**

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company’s representative. The authority may be sent to the Company and/or registry in advance of the meeting or handed in at the meeting when registering as a corporate representative. An Appointment of Corporate Representative form is enclosed if required.

## **By Order of the Board of Directors**

**Trevor Shard**

**Company Secretary**

Cobar Consolidated Resources Limited

22 December 2010

## **COBAR CONSOLIDATED RESOURCES LIMITED**

ABN 67 118 684 576

### **EXPLANATORY STATEMENT**

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Extraordinary General Meeting. This Explanatory Statement should be read in conjunction with the Notice of Extraordinary General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

#### **Resolution 1 – Ratification of Previous Share Placement to Magna Resources Corporation Pte Ltd (Magna)**

On 30 November 2010 the Company issued and allotted 7,500,000 Shares to Magna. On 17 December 2010 the Company allotted a further 8,500,000 Shares to Magna in accordance with its discretion under ASX Listing Rule 7.1. The Company wishes to seek Shareholder ratification and approval under ASX Listing Rule 7.4 for both placements of Shares with Magna in this Notice.

##### *ASX Listing Rule 7.1*

Under ASX Listing Rule 7.1, the prior approval of Shareholders was not required to issue the Shares because those Shares, when aggregated with the securities issued in the previous 12 months (other than the securities issued with Shareholder approval), did not exceed 15% of the number of securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 provides that where a company in general meeting subsequently approves a previous issue of securities (and provided the previous issue did not breach ASX 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 is now sought for the issue of the shares to Magna pursuant to ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15% of its issued capital to enable the Company to consider additional funding initiatives over the next 12 months consistent with the provisions of ASX Listing Rule 7.1 and the Corporations Act.

ASX Listing Rule 7.5 sets out a number of matters which must be included in a notice of meeting seeking an approval under ASX Listing Rule 7.4. For the purposes of ASX Listing Rule 7.5, the following information is provided in relation to the placement and this Resolution:

- A total of 16,000,000 Shares were issued and allotted.
- The Shares were issued at an issue price of \$0.408 per Share.
- The Shares rank equally with existing Shares on issue.
- The Shares were issued solely to Magna Resources Corporation Pte Ltd, a company registered in Singapore.
- The funds raised by the issue have been used predominantly to advance development of the Wonawinta silver project and for general working capital.
- A voting exclusion statement is included in the Notice.

Dr George Lefroy is a director and chairman of a related body corporate of Magna, PT Chandra Asri, a company registered in Indonesia, and makes no recommendation in relation to this Resolution. Other than Dr George Lefroy, the Directors unanimously recommend the ratification of the issue and recommend that Shareholders vote in favour of Resolution 1.

## **Glossary**

**EDT** means eastern daylight time

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

**ASX** means ASX Limited (ACN 008 624 691).

**Board** means the board of Directors.

**Business Day** means a trading day on the financial market operated by ASX.

**Constitution** means the constitution of the Company.

**Company** means Cobar Consolidated Resources Limited (ACN 118 684 576).

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

**Directors** mean directors of the Company.

**Explanatory Statement** means this explanatory statement.

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

**Notice** means the Notice of Extraordinary General Meeting accompanying this Explanatory Statement.

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

**Shareholder** or **member** means a registered member of the Company.

**Resolution** means a resolution contained in the Notice.

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**Appointment of Corporate Representative**  
Section 250D of the Corporations Act 2001

**Shareholder Details**

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

..... (Shareholder Company),  
[insert name of shareholder company]

the Shareholder Company has appointed:

.....,  
[insert name of corporate representative]

in accordance with the provisions of section 250D of the Corporations Act 2001, to act as the body corporate representative of that company at the meeting of the members of Cobar Consolidated Resources Limited to be held on Tuesday 25 January 2011, and at any adjournments of that meeting.

DATED ..... 2011

**Please sign here**

Executed by the Shareholder Company  
in accordance with its constituent documents

)  
)

.....  
Signed by authorised representative

.....  
Name of authorised representative (print)

.....  
Position of authorised representative (print)

)  
)

.....  
Signed by authorised representative

.....  
Name of authorised representative (print)

.....  
Position of authorised representative (print)

**Instructions for Completion**

1. Insert name of appointor Shareholder Company and the name or position of the appointee (eg "John Smith" or "each director of the Shareholder Company").
2. Execute the Certificate following the procedure required by your Constitution or other constituent documents.
3. Print the name and position (eg director) of each company officer who signs this Certificate on behalf of the company.
4. Insert the date of execution where indicated.
5. Send or deliver the Certificate to Cobar Consolidated Resources Limited's registered office at Level 4, 448 St Kilda Road, Melbourne, Vic 3004, or fax the Certificate to the registered office at (03) 9820 2586 or bring it to the Extraordinary General Meeting.