



SHELL

VILLAGES AND RESORTS LIMITED

ABN 68 009 161 522



**SHELL VILLAGES AND RESORTS LIMITED
ACN 009 161 522**

NOTICE OF GENERAL MEETING

AND

EXPLANATORY MEMORANDUM

Date of Meeting: Monday November 15th 2010

Time of Meeting: 10.00am (Sydney time)

Place of Meeting: Suite 20, Level 3, 72 Pitt Street, Sydney

This Notice of General Meeting 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 prior to voting.

SHELL VILLAGES AND RESORTS LIMITED ACN 009 161 522

NOTICE OF GENERAL MEETING

Pursuant to Section 249C of the Corporations Act 2001(*Cth*) Notice is hereby given that a General Meeting of shareholders of **SHELL VILLAGES AND RESORTS LIMITED ACN 009 161 522** ("**Company**") will be held at the offices of the Company Suite 20, Level 3, 72 Pitt Street, Sydney, on Monday November 15th 2010 at 10.00 a.m. (Sydney time)

AGENDA

Introduction

General Nature of the Meeting's Business

The nature of this meeting of the members of the Company is for the purpose of consideration of two resolutions to issue shares pursuant to a placement of shares and conversion of loans.

ORDINARY BUSINESS

1. RESOLUTION 1 - APPROVAL OF ISSUE SHARES – PLACEMENT

To consider and, if thought fit, pass the following Ordinary Resolution with or without amendment:

"That, for the purpose of ASX Listing Rules under Chapter 7, Chapter 6d, and for all other purposes, approval is given for the Company to issue and allot up to 26,250,000 ordinary shares in the issued capital of the Company to a number of investors contemplated by under section 708 of the Corporations Act pursuant to a placement conducted by offer and acceptance in October 2009 at an issue price of \$0.01c"

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except solely in the capacity of a shareholder and any associate of those persons.

However, the Company need not disregard a vote if:

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

2. RESOLUTION 2 – APPROVAL OF CONVERSION OF LOANS TO THE COMPANY TO ORDINARY 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 Rules, and for all other purposes, that the Shareholders approve the conversion of \$107,500 of loan funds into equity by the issue of 10,750,000 fully paid shares in the Company at 1.0 cents per share."

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by Mr Boris Patkin, Mr David Diamond, any person who is to receive securities in relation to the Company, any person who may participate in the proposed issue and a person who might obtain a benefit, except solely in the capacity of a shareholder and any associate of those persons.

However, the Company need not disregard a vote if:

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

GENERAL BUSINESS

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

Shell Villages and Resorts Limited



Richard Wyn Pritchard

Director

0418617827

richard.w.pritchard@gmail.com

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum is provided to shareholders of **SHELL VILLAGES AND RESORTS LIMITED ACN 009 161 522 (Company)** to explain the resolution to be put to Shareholders at the General Meeting to be held at the Company's office, Suite 20, Level 3, 72 Pitt Street, Sydney on Monday November 15th 2010 commencing at 10.00am (Sydney time).

The Director issuing this document recommends shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

2. RESOLUTION 1 - APPROVAL OF ISSUE SHARES – PLACEMENT

Introduction

On 13th October 2009 Shell Villages and Resorts Limited made an offer to issue 25,000,000 shares at \$0.01 per share in a written offer from the Company made to a number of investors contemplated by under section 708 of the Corporations Act.

In all \$262,500 was raised and applications were received for 26,250,000 shares at \$0.01 from nine individuals. By this resolution being passed the Company will allot 26,250,000 shares to the nine individuals named below, this will bring the total issued ordinary fully paid shares in the Company to 69,358,368.

Regulatory Requirements

ASX Listing Rule 7.3 and requires the notice of meeting to include the following information:

- a) 26,250,000 fully paid Shares are to be allotted (Allotted Shares).
- b) The Allotted Shares are to be issued at 1.0 cents each.
- c) The Allotted Shares are ordinary fully paid shares and are to be issued on the same terms and rank equally with other fully paid Shares on issue.
- d) The Allottees are:

Huw Morris Jones	5,000,000
Declan Nigel Pritchard	5,000,000
Hao Dang ATF Dang Family Trust	2,500,000
Mrs Fiona Marie Farrugia ATF Farrugia Investment Trust	2,500,000
Raymond Joseph Allen	2,500,000
Nigel Clarke	1,250,000
Ronald Harry Johnson	2,500,000
BMSCT Pty Ltd	2,500,000
Darrell Daniel Smith	<u>2,500,000</u>
	26,250,000

None of the allottees are related parties of the Company.

- e) The shares will be issued and allotted within 3 month after the date of the meeting.
- f) The funds have been utilised to pay the cash component of the Creditor compromises as per ASX announcement 30 April 2010, plus working capital.

3. RESOLUTION 2 – APPROVAL OF CONVERSION OF LOANS TO EQUITY

The Directors wanting to place the Company on a sound financial footing are seeking approval to convert current loan funds to equity. The Company's present issued capital is 69,358,368 ordinary shares (including the shares listed in resolution 1). The director's seek to convert \$107,500 of converting loans to equity, by issuing 10,750,000 ordinary shares at a price of \$0.01 per ordinary share to the lenders listed below; this will bring the total issued ordinary shares in the Company to 80,108,368. The shares to be issued under this resolution will be issued within three (3) months after the date of the meeting.

ASX Listing Rule 7.3 and 10.13 requires the notice of meeting to include the following information:

- g) 10,750,000 fully paid Shares are to be allotted (Allotted Shares).
- h) The Allotted Shares are to be issued at nil price with a deemed issue price of 1c each.
- i) The Allotted Shares are ordinary fully paid shares and are to be issued on the same terms and rank equally with other fully paid Shares on issue.
- j) The Allottees are:

MJ Jennings	1,000,000
Darren A Fouracre	1,000,000
J G Stokes	2,000,000
Blackcourt (NSW) Pty Ltd.	1,000,000
S Grimson	2,000,000
Landpath Pty Ltd	1,250,000
David Diamond	500,000
Snowy Plains Pty Ltd	<u>2,000,000</u>
	10,750,000

Snowy Plains Pty Ltd is a related party to the Company due to its association with Mr Boris Patkin who is a current Director of the Company. Mr David Diamond is a current Director of the Company and is therefore a related party to the Company, Mr Patkin and Mr Diamond will be excluded from voting on this resolution.

- k) The shares will be issued and allotted within 1 month after the date of the meeting.
- l) The loan funds were provided for working capital

PROXY, REPRESENTATIVE AND VOTING ENTITLEMENT INSTRUCTIONS

PROXIES AND REPRESENTATIVES

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under Section 250D of the *Corporations Act 2001 (Cwlth)*.

The proxy form must be signed by the shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, in a manner permitted by the *Corporations Act*.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or 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 deposited at, posted to, or sent by facsimile transmission to the address listed below prior to 10.00 am Saturday 13th November 2010, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

SHELL VILLAGES AND RESORTS LIMITED

Suite 20, Level 3, 72 Pitt Street, Sydney

Telephone: 0418617827 Facsimile No: 02 92999501

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

A proxy form is attached to this Notice.

VOTING ENTITLEMENT

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 5.00pm Friday 12th November 2010. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

SIGNING INSTRUCTIONS

You must sign the proxy form as follows in the spaces provided:

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

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

Power of Attorney: To sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

PROXY FORM

I/WE

of

being shareholder(s) of SHELL VILLAGES AND RESORTS LIMITED ("Company")

hereby appoint

of:

of failing him/her

of:

or failing him/her the Chairman as my/our proxy to vote for me/us and on my/our behalf at the annual general meeting of the Company to be held at Suite 20, Level 3, 72 Pitt Street, Sydney, Sydney on Monday November 15th 2010 and at any adjournment thereof in respect of all of my/our shares in the Company unless otherwise specified below.

If you wish to indicate how your proxy is to vote, please tick the appropriate places below.

If the Chairman is appointed as your proxy, or may be appointed by default, and if you do **not** wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in this box:

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he/she has an interest in the outcome of the resolution and votes cast by him/her other than as proxy holder will be disregarded because of that interest. The Chairman advises that it is his/her intention to vote in favour of all resolutions in respect of any undirected proxies which may be granted in favour of the Chairman

If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is []%. (An additional proxy form will be supplied by the Company on request.)

If you wish to appoint the proxy to exercise voting power over only some of your shares, the number of shares in respect of which this proxy is to operate is shares (Note: proxy will be over all shares if left blank)

If no directions are given, the Proxy may vote as the Proxy thinks fit or may abstain. By signing this appointment you acknowledge that the Proxy (whether voting in accordance with your directions or voting in their discretion under an undirected Proxy) may exercise your proxy even if he/she has an interest in the outcome of the resolution and even if votes cast by him/her other than as proxy holder will be disregarded because of that interest.

I/we direct my/our proxy to vote as indicated below:

RESOLUTION	For	Against	Abstain
1. Approve Issue of Shares - Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Approve Issue of shares - Conversion of Loan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Individual or Security holder 1

**Sole Director and
Sole Company Secretary
(If appointed)**

Security holder 2

Director

Security holder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

E-mail for future contact

BY FAX TO 02 92999501