

**NOTICE OF ANNUAL GENERAL MEETING AND
EXPLANATORY STATEMENT**

**For the Annual General Meeting to be held on
Thursday 17 November 2011 at 1.30pm (WST) at
The Celtic Club, 48 Ord Street, West Perth WA 6000, Australia**

As this is an important document, please read it carefully.

**For those members who have elected to receive a printed copy of the Annual Report,
the 2011 Annual Report accompanies this Notice of Annual General Meeting.
The 2011 Annual Report is also available on the Company's website at www.riftvalleyresources.com.au**

*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.*



TIME AND PLACE OF MEETING AND HOW TO VOTE

Venue

The Annual General Meeting of the Shareholders of Rift Valley Resources Limited ("Rift Valley" or the "Company") will be held at:

The Celtic Club

48 Ord Street

West Perth, Western Australia, AUSTRALIA

Commencing at 1.30pm (WST) on Thursday, 17 November 2011

How to Vote

You may vote by attending the Meeting in person, by proxy or corporate representative.

Voting in Person

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

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- send the proxy by facsimile to the Share Registry on facsimile number (08) 9315 2233 (International: + 61 8 9315 2233); or
- deliver the proxy to Security Transfer Registrars at Suite 1, Alexandria House, 770 Canning Highway Applecross WA 6953 Australia; or
- mail the proxy to Security Transfer Registrars at PO Box 535 Applecross WA 6953, Australia;

so it is received not later than 1.30pm (WST) on Tuesday, 15 November 2011.

Your proxy form is enclosed.

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.

NOTES:

1. A Shareholder of the Company who is entitled to attend and vote at a general Meeting of Shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
2. Where a voting exclusion applies, 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 to vote as the proxy decides 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. For the purposes of the Corporations Act, the Directors have set a snapshot time and date to determine the identity of those entitled to attend and vote at the Annual General Meeting. The snapshot time and date is 1.30pm (WST) on 15 November 2011.

Questions from Shareholders

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

Mr Mark Lester of Maxim Audit, as the auditor responsible for preparing the auditor's report for the period ended 30 June 2011 (or his representative) will attend the Annual General Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

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

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have in writing no later than **1.30pm (WST) on Thursday, 10 November 2011:**

In person: Registered Office- Level 2, 23 Barrack Street, Perth WA 6000, Australia

By mail: Level 2, 23 Barrack Street, Perth WA 6000, Australia

By fax: (08) 9200 4413 (International: + 61 8 9200 4413)

The Company will distribute a list setting out the questions directed to the auditor received in writing by Thursday, 10 November 2011 being questions which the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the financial report for the period ended 30 June 2011. The Chairman will allow reasonable opportunity to respond to the questions set out on this list.

RIFT VALLEY RESOURCES LIMITED

ABN 88 147 483 341

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Rift Valley Resources Limited ("Rift Valley" or the "Company") will be held at the Celtic Club, 48 Ord Street, West Perth, WA 6000, Australia, at 1.30pm (WST) on Thursday, 17 November 2011.

AGENDA

BUSINESS

The Explanatory Statement which accompanies and forms part of this Notice describes the matters to be considered as ordinary business and special business. Certain abbreviations and other defined terms are used throughout this Notice. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in the Glossary contained in the Explanatory Statement.

ORDINARY BUSINESS

Annual Accounts

To receive and consider the financial report of the Company and the consolidated financial report of the Company for the period ended 30 June 2011 and the reports by the Directors and Independent Auditor.

Resolution 1: Remuneration Report

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

"That for all purposes, the section of the report of the Directors for the period ended 30 June 2011 dealing with the remuneration of the Company's Directors, Company Secretary and senior executives be adopted."

- Although this resolution is advisory only, this resolution shall be determined as if it were an ordinary resolution.
- This resolution does not bind the Directors or the Company.
- If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution ("spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

Resolution 2: Re-election of Mr Didier Murcia as a Director

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

"That for the purposes of Listing Rule 14.4 and clause 11.3 of the Constitution, Mr Murcia, being a Director of the Company who retires by rotation, and being eligible offers himself for re-election, be re-elected as a Director of the Company."

Short Explanation: Clause 11.3 of the Constitution requires that at the Annual General Meeting, one-third of the Directors or if the number of Directors is not a multiple of three that number which is nearest to one-third for the time being shall retire from office. A retiring Director is eligible for re-election.

Resolution 3: Re-election of Mr Michael McKeivitt as a Director

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

"That for the purposes of Listing Rule 14.4 and clause 11.12 of the Constitution, Mr McKeivitt being a Director of the Company appointed as an addition to the Board and who retires in accordance with clause 11.12 of the Constitution, be elected as a Director of the Company."

Short Explanation: Clause 11.12 of the Constitution requires that any Director appointed to fill a casual vacancy or as an additional Director, holds office only until the conclusion of the next Annual General Meeting of the Shareholders and is eligible for re-election at that Meeting.

Resolution 4: Re-election of Mr Keith McKay as a Director

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

"That for the purposes of Listing Rule 14.4 and clause 11.12 of the Constitution, Mr McKay being a Director of the Company appointed as an addition to the Board and who retires in accordance with clause 11.12 of the Constitution, be elected as a Director of the Company."

Short Explanation: Clause 11.12 of the Constitution requires that any Director appointed to fill a casual vacancy or as an additional Director, holds office only until the conclusion of the next Annual General Meeting of the Shareholders and is eligible for re-election at that Meeting.

Resolution 5: Re-election of Mr Gosbert Kagaruki as a Director

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

"That for the purposes of Listing Rule 14.4 and clause 11.12 of the Constitution, Mr Kagaruki being a Director of the Company appointed as an addition to the Board and who retires in accordance with clause 11.12 of the Constitution, be elected as a Director of the Company."

Short Explanation: Clause 11.12 of the Constitution requires that any Director appointed to fill a casual vacancy or as an additional Director, holds office only until the conclusion of the next Annual General Meeting of the Shareholders and is eligible for re-election at that Meeting.

Resolution 6: Re-election of Mr Darpan Pindolia as a Director

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

"That for the purposes of Listing Rule 14.4 and clause 11.12 of the Constitution, Mr Pindolia being a Director of the Company appointed as an addition to the Board and who retires in accordance with clause 11.12 of the Constitution, be elected as a Director of the Company."

Short Explanation: Clause 11.12 of the Constitution requires that any Director appointed to fill a casual vacancy or as an additional Director, holds office only until the conclusion of the next Annual General Meeting of the Shareholders and is eligible for re-election at that Meeting.

Resolution 7: Appointment of auditors

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

"That for the purposes of section 327B(1) of the Corporations Act and for all other purposes, Maxim Audit having consented to act as the Company's auditor, be appointed by the Board as auditor of the Company."

Short Explanation: As the Meeting is the Company's first Annual General Meeting since listing on ASX Shareholders are required to approve the appointment of the Company's auditors.

Resolution 8: Approve Grant of 11,500,000 Options

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

"That for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders approve the grant of a total of 11,500,000 options to acquire Shares, each with an exercise price of \$0.0001 and expiring six years from the date of grant ("Maji Moto Options"), further details of which are set out in the Explanatory Statement."

The Company will disregard any votes cast on this resolution by a person who may participate in the proposed issue, 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 an associate of that person (or 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 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.

Short Explanation: The Company may issue no more than that number of securities that equates to 15% of its issued capital in any year without Shareholder approval.

Resolution 9: Allotment and Issue of up to 375,000 Shares for Project Acquisitions

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

"That, for the purposes of Listing Rule 7.1 of the Listing Rules of ASX Limited and for all other purposes, approval is given for the Company to issue up to 375,000 fully paid ordinary shares in the capital of the Company at an issue price which is equivalent to the volume weighted average market price for the Company's shares on ASX over the last 5 trading days preceding the date on which the issue is made and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

The Company will disregard any votes cast on this resolution by a person who may participate in the proposed issue, 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 an associate of that person (or 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 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.

Short Explanation: Under the Listing Rules, the Company may seek prior shareholder approval to authorise it to make an issue of securities in excess of the 15% threshold of its total ordinary securities.

Snapshot Date

The Directors have determined that for the purposes of regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the persons eligible to attend and vote at the Meeting are those persons who were Shareholders at **1.30pm (WST) on 15 November 2011**.

Incorporation of Explanatory Statement

The Explanatory Statement attached to this Notice of Meeting, is hereby incorporated into and forms part of this Notice of Meeting.

DATED THIS 6th DAY OF OCTOBER 2011

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'R. Caren', written over a circular stamp or seal.

Mr Rowan Caren
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

Certain abbreviations and other defined terms are used throughout this Explanatory Statement. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in the Glossary contained in this Explanatory Statement.

This Explanatory Statement has been prepared for the Shareholders of Rift Valley in connection with the Annual General Meeting of the Company to be held on Thursday, 17 November 2011.

1. ANNUAL ACCOUNTS

The Corporations Act requires that the Annual Report (which includes the financial report, directors' report and auditors' report) be laid before the Annual General Meeting.

Shareholders will be given an opportunity to ask questions and make comments about the Annual Report of the Company generally but there will be no formal resolution submitted in respect of the Annual Report.

2. RESOLUTION 1 – REMUNERATION REPORT

In accordance with the Corporations Act, a resolution to adopt the Director's Remuneration Report must be put to Shareholders. The Remuneration Report which details the Company's policy on the remuneration of non-executive Directors, executive Directors, the Company Secretary and senior executives is set out in the Company's 2011 Annual Report. It is also available on the Rift Valley website at www.riftvalleyresources.com.au

Voting on this resolution is advisory only and does not bind the Company or the Directors.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election. The Company encourages all Shareholders to cast their votes on Resolution 1 (Remuneration Report).

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

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

3. RESOLUTION 2 – RE-ELECTION OF A DIRECTOR (DIDIER MURCIA)

3.1 Background

Resolution 2 seeks approval for the re-election of Mr Didier Murcia as a Director. Mr Murcia was appointed as non-executive chairman on 22 November 2010. In accordance with Listing Rule 14.4 and clause 11.3 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-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

Mr Murcia retires by rotation at this meeting and, being eligible, offers himself for re-election.

Mr Murcia holds a Bachelor of Jurisprudence and a Bachelor of Laws degrees from the University of Western Australia and has over 25 years' experience in corporate, commercial and resource law. Mr Murcia has extensive experience in Tanzania and is the Honorary Consul for the United Republic of Tanzania in Australia, a position that he has held for 13 years. He is currently a Director of Aminex PLC, listed on the London Stock Exchange, Non-Executive Chairman of Centaurus Metals Limited and Non-Executive Director of Gryphon Minerals Limited, both of which are listed on the ASX. Until recently Mr Murcia was also a director of emerging iron ore producer Gindalbie Metals Limited, a position he held for 13 years.

3.2 Directors' Recommendation

All the Directors (other than Mr Didier Murcia) recommend that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RE-ELECTION OF A DIRECTOR (MICHAEL McKEVITT)

4.1 Background

Resolution 3 seeks approval for the re-election of Mr Michael McKeveitt as a Director. Mr McKeveitt was appointed as Managing Director of the Company on 18 February 2011 pursuant to clause 11.11 of the Constitution. In accordance with Listing Rule 14.4 and clause 11.12 of the Constitution Mr McKeveitt must stand for election at the Annual General Meeting. As such, at the Annual General Meeting Mr McKeveitt retires from his position as a Director and, being eligible, offers himself for election to that position.

Mr Michael McKeveitt has a long and successful history in mineral exploration, management and mine geology, both in Australia and overseas. With 25 years' experience in mining and resources as a geologist he has worked and led teams in Africa (Ghana, Burkina Faso, Zambia, and Tanzania), Indonesia and the Philippines. His experience covers exploration and near-mine exploration, mine geology and mine operations support. He has worked in gold, iron-ore, nickel, copper, bauxite, zinc and uranium in various mining styles including mechanised open-stope, block- cave, cut-and-fill, and both medium to large-scale open pits.

Mr McKeveitt is a corporate member of the Australasian Institute of Mining and Metallurgy and is a competent person for reporting exploration results and mineral resources in accordance with the JORC Code (2004).

4.2 Directors' Recommendation

All the Directors (other than Mr McKeveitt) recommend that Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 – RE-ELECTION OF A DIRECTOR (KEITH MCKAY)

5.1 Background

Resolution 4 seeks approval for the re-election of Mr Keith McKay as a Director. Mr McKay was appointed as a Director of the Company on 18 February 2011 pursuant to clause 11.11 of the Constitution. In accordance with Listing Rule 14.4 and clause 11.12 of the Constitution Mr McKay must stand for election at the Annual General Meeting. As such, at the Annual General Meeting Mr McKay retires from his position as a Director and, being eligible, offers himself for election to that position.

Mr McKay is a Geologist with 40 years' technical and corporate experience in the mining industry as a senior executive director and chairman. Corporate roles formerly held by Mr McKay include Chairman of Gindalbie Metals Limited, Managing Director of Gallery Gold Limited, Australian Managing Director of Battle Mountain Gold Company and Director of Niugini Mining Limited. He is currently a Non-Executive director of Centaurus Metals Limited.

Mr McKay had extensive African experience, particularly in Botswana and Tanzania. Under his management, Gallery Gold discovered and developed the Mupane gold mine in Botswana and prior to this Battle Mountain discovered the Pajingo and Vera Nancy gold deposits in North Queensland.

5.2 Directors' Recommendation

All the Directors (other than Mr McKay) recommend that Shareholders vote in favour of Resolution 4.

6. RESOLUTION 5 – RE-ELECTION OF A DIRECTOR (GOSBERT KAGARUKI)

6.1 Background

Resolution 5 seeks approval for the re-election of Mr Gosbert Kagaruki as a Director. Mr Kagaruki was appointed as a Director of the Company on 18 February 2011 pursuant to clause 11.11 of the Constitution. In accordance with Listing Rule 14.4 and clause 11.12 of the Constitution Mr Kagaruki must stand for election at the Annual General Meeting. As such, at the Annual General Meeting Mr Kagaruki retires from his position as a Director and, being eligible, offers himself for election to that position.

Having commenced his career with the Dodoma Geological Survey in Tanzania, Mr Kagaruki subsequently worked for Rio Tinto as the only Tanzanian professional staff member engaged by that company. He then held senior roles in the Southern and Eastern African Mineral Centre and Barrick (Tanzania) before setting up his own consultancy, Interactive Earth Imaging Limited.

Mr Kagaruki has and continues to provide detailed geological advice to a number of exploration and mining companies, including BHP Billiton, Uranex Limited, Resolute Limited and Midland Minerals.

6.2 Directors' Recommendation

All the Directors (other than Mr Kagaruki) recommend that Shareholders vote in favour of Resolution 5.

7. RESOLUTION 6 – RE-ELECTION OF A DIRECTOR (DARPAN PINDOLIA)

7.1 Background

Resolution 6 seeks approval for the re-election of Mr Darpan Pindolia as a Director. Mr Pindolia was appointed as a Director of the Company on 15 August 2011 pursuant to clause 11.11 of the Constitution. In accordance with Listing Rule 14.4 and clause 11.12 of the Constitution Mr Pindolia must stand for election at the Annual General Meeting. As such, at the Annual General Meeting Mr Pindolia retires from his position as a Director and, being eligible, offers himself for election to that position.

Mr Pindolia holds a Bachelor of Engineering (Hons) from University College (London) and a Graduate Diploma in Mining Engineering (Distinction) from the University of Western Australia. Born and raised in East Africa, Mr Pindolia is fluent in Swahili and has significant business interests in Tanzania.

Mr Pindolia has had considerable international experience in the engineering sector in Tanzania, United Kingdom and Australia and had worked for Leighton Contractors and Laing O' Rourke.

7.2 Directors' Recommendation

All the Directors (other than Mr Pindolia) recommend that Shareholders vote in favour of Resolution 6.

8. RESOLUTION 7 – APPOINTMENT OF AUDITORS

8.1 Background

Maxim Audit were appointed as auditor of the Company in accordance with section 327A(1) of the Corporations Act. That appointment will lapse, in accordance with section 327A(2) of the Corporations Act, at the first annual general meeting of the Company.

Section 327B of the Corporations Act requires an appointment of an auditor at a Company's first Annual General Meeting.

Maxim Audit has been duly nominated for appointment as the Company's auditors by a member, as required by section 328B of the Corporations Act. A copy of the nomination is attached to this Notice as Annexure A.

8.2 Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of the appointment of Maxim Audit as the Company's auditor.

9. RESOLUTION 8 – APPROVAL FOR GRANT OF OPTIONS

9.1 Background

On 23 September 2011, the Company announced to ASX that it had agreed to acquire the Maji Moto project in Tanzania, subject to due diligence. Part of the consideration for the acquisition is to be a total of 11,500,000 Maji Moto Options, to be granted subject to the satisfaction of conditions precedent, to acquire Shares at an exercise price of \$0.0001 per Share. The expiry date of the Maji Moto Options will be the date no later than six years after the date the options are granted. The Maji Moto Options will only vest upon Rift Valley Resources Limited making a decision to mine on the Maji Moto project.

The Maji Moto project contains several advanced exploration targets in Tanzania. No funds are to be raised by the issue.

Pursuant to section 708 of the Corporations Act, the offer of the Maji Moto Options will not require the issue of a prospectus as they will be offered to non-residents.

The Company wishes to have the grant approved pursuant to Listing Rule 7.1, in order to allow the Company to have the right to place up to a further 15% of its issued capital at any time during the next 12 months.

The number of securities to be issued represents approximately 13.77% of the Company's current share capital.

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) A total of 11,500,000 Maji Moto Options may be granted.
- (b) The Maji Moto Options are to be issued to Mawe Meru Resources Limited and Kilimanjaro Mines Limited (the "Vendors") pursuant to the agreement for the acquisition of tenements from the Vendors.
- (c) The Maji Moto Options do not entitle the holder to voting rights. Shares issued upon any exercise of the Maji Moto Options will be fully paid ordinary shares that rank equally in all respects with existing Shares, the terms of which are already in the public domain.
- (d) The allottees are not related parties to the Company or its associates.
- (e) The main terms of the Maji Moto Options are set out in Annexure B to this Explanatory Statement.

- (f) No funds are to be raised from the issue.
- (g) Allotment of the Maji Moto Options will occur progressively.
- (h) The Maji Moto Options will be granted no later than 3 months after the date of the Meeting, subject to satisfaction of the conditions precedent under the acquisition agreement.

9.2 Directors' Recommendation

If Resolution 8 is passed, the 15% Limit imposed by Listing Rule 7.1 will be available to the extent of the ratification. The Directors of the Company unanimously recommend that Shareholders vote in favour of Resolution 8.

10. RESOLUTION 9 – APPROVAL FOR THE ALLOTMENT AND ISSUE OF UP TO 375,000 SHARES FOR ACQUISITION OF PROJECTS

10.1 Background

- (a) The Company has recently announced to ASX the acquisition of three exploration properties; Geita East, Igando South and Igando North. The Company wishes to obtain approval from shareholders to issue Shares as consideration (in part) for the first tranche of the cost of acquisition of those exploration assets ("Acquisition Shares").
- (b) The acquisitions are subject to the satisfaction of various conditions precedent including the Company being satisfied with its due diligence, the approval of the Tanzanian Department of Energy and Minerals to the transfer of the tenements to the Company's wholly owned subsidiary Rift Valley Resources (Tanzania) Ltd and the registration of those transfers.
- (c) Resolution 9 seeks Shareholder approval for the offer and issue of the Acquisition Shares for the purpose of Listing Rule 7.1. Subject to certain exceptions, Rule 7.1 restricts a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of the company's ordinary securities on issue without Shareholder approval. However, issues of equity securities made with the prior approval of the Shareholders in a general meeting are not subject to this restriction and will not be counted as part of the 15% Limit.
- (d) If Shareholders approve the proposed issue of the Acquisition Shares, those securities will not be counted towards the 15% Limit in respect of issues of equity securities in the following 12 month period.
- (e) In accordance with the requirements of Listing Rule 7.3, the following information is provided to Shareholders to allow them to assess the proposed issue of Acquisition Shares:
 - The maximum number of Shares to be issued pursuant to Resolution 9 will be 375,000 Shares;
 - The issue of the Shares will occur no later than 3 months after the date of the Meeting, or such longer period as ASX may approve in the event that the Company requires and applies for a waiver of the relevant Listing Rule;
 - The issue of the Shares pursuant to Resolution 9 will occur as up to three separate allotments;
 - The Shares will be issued at a price equivalent to the weighted average market price for the Company's shares on ASX over the last 5 trading days preceding the date on which the issue is made;
 - The identity of the allottees is as follows; Fenites Limited (up to 125,000 shares), Sigo Gems Limited (up to 250,000 shares);
 - The allottees are not related parties of the Company, or Shareholders or other persons in relation to whom related party benefit approvals under Listing Rule 10 or Chapter 2E of the Corporations Act would apply;
 - The Shares to be issued pursuant to Resolution 9 will, from the date of issue, rank equally with, and enjoy the same rights as, all other Shares on issue; and
 - There will be no funds raised as a result of the issue.

10.2 Directors' Recommendation

If Resolution 9 is passed, the Acquisition Shares will not be counted towards the 15% Limit and the Directors will be authorised to allot the Acquisition Shares. The Directors of the Company unanimously recommend that Shareholders vote in favour of Resolution 9 as it allows the Company to retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months.

11. ENQUIRIES

Shareholders are invited to contact the Company Secretary, Rowan Caren on (08) 9226 0085 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

"Annual Report" means the Company's annual report including the reports of the Directors and the auditor and the financial statements of the Company for the period ended 30 June 2011, which can be downloaded from the Company's website at www.riftvalleyresources.com.au

"ASX" means ASX Limited ACN 008 624 691 or the Australian Securities Exchange as the context requires.

"Board" means the board of Directors.

"Business Day" means any ASX Business Day that is not a Saturday, Sunday or public holiday in Western Australia.

"Company" or **"Rift Valley"** means Rift Valley Resources Limited ABN 88 147 483 341.

"Constitution" means the Company's Constitution.

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

"Directors" mean the directors of the Company.

"Listing Rules" means the Listing Rules of ASX.

"Meeting" means a meeting of the Shareholders, holders or Directors;

"Notice", **"Notice of Meeting"** or **"Notice of General Meeting"** means the Notice of meeting which accompanies this Explanatory Statement.

"Remuneration Report" means the remuneration report appearing in the Annual Report.

"Shareholders" means the holder of the Shares.

"Share" means fully paid ordinary share in the Company.

"WST" means Australian Western Standard Time.

RIFT VALLEY RESOURCES LIMITED

ABN 88 147 483 341

Certificate of Appointment of Corporate Representative

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

.....
(Company),
(Insert name of company)

the 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 Shareholders of Rift Valley Resources Limited to be held on 17 November 2011 and at any adjournments of that Meeting.

DATED 2011

Executed by the Company)
in accordance with its constituent documents)

.....
Signed by authorised representative

.....
Signed by authorised representative

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

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

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

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

INSTRUCTIONS FOR COMPLETION

Under Australian law, an appointment of a body corporate representative will only be valid if the Certificate of Appointment is completed precisely and accurately. Please follow the following instructions to complete the Certificate of Appointment:

1. Insert the name of appointer company and the name or position of the appointee (e.g. "John Smith" or "each Director of the Company").
2. Execute the Certificate following the procedure required by your Constitution or other constituent documents.
3. Print the name and position (e.g. Director) of each company officer who signs this Certificate on behalf of the appointer company.
4. Insert the date of execution where indicated.
5. Send or deliver the Certificate to either facsimile number (08) 9200 4413 (International: + 61 8 9200 4413); or deliver to the registered office of the Company at Second Floor, 23 Barrack Street, Perth WA 6000, Australia; or mail to Second Floor, 23 Barrack Street, Perth WA 6000, Australia, or the Corporate Representative must present the original Certificate when registering attendance at the start of the Meeting.

Annexure A

6 October 2011

The Directors
Rift Valley Resources Limited
Level 2
23 Barrack Street
Perth WA 6000

Dear Board,

Nomination of Auditor

For the purposes of section 328B (1) of the Corporations Act 2001 (Cth), I, Rowan Caren, being a member of Rift Valley Resources Limited hereby nominate Maxim Audit as auditor of the Company at the Annual General Meeting to be held at 1.30pm on 17 November 2011.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Rowan Caren', written in a cursive style.

Rowan Caren

Annexure B

Terms and conditions of the Maji Moto Options

The terms of issue of the Options are as follows:

- (a) Each Option entitles the holder to acquire one fully paid ordinary share in RFV upon exercise of that Option.
- (b) The amount payable on exercise of the Options is AUD\$0.0001 per share.
- (c) Upon the Company making a decision confirming its intention to proceed with the development of a mine on the tenements acquired from the Vendors and provision of a notice to that effect to the Vendors, subject to the Company being provided with written confirmation from the Tanzanian Department of Energy and Minerals advising its wholly owned subsidiary Rift Valley Resources (Tanzania) Ltd is registered as the owner of those tenements, the Options will vest in the optionholder and be capable of exercise.
- (d) If the Company decides not to continue and withdraws from the agreement with the Vendors, prior to a decision to proceed with the development of a mine, all unvested Options will immediately lapse.
- (e) The Options will expire 6 years from the date of issue.
- (f) Options that have vested may be exercised at any time prior to expiry by completing an Option exercise form and delivering it together with the payment for the number of shares in the Company for which the Options are exercised to the registered office of the Company.
- (g) All shares in the Company issued upon exercise of the Options will, from the date they are issued, rank pari passu in all respects with the Company's then issued ordinary shares.
- (h) The Company will apply for official quotation by ASX of all shares in the Company issued upon exercise of the Options.
- (i) The optionholder will be entitled to participate in any new issue of securities to existing holders of shares in the Company provided the optionholder has exercised their Options prior to the record date for determining entitlements.
- (j) The Options do not confer on the holder any right to participate in dividends until shares in the Company are allotted pursuant to the exercise of the Options.
- (k) Subject to paragraph (l), if the Company makes a bonus share issue, a rights issue or any other similar issue of rights or entitlements, there will be no adjustment to the exercise price, the number of shares in the Company per Option or any other terms of those Options.
- (l) On a reorganisation of the Company's capital, the rights of optionholders (including the number of Options and the exercise price) will be changed to the extent necessary to comply with the Listing Rules of the ASX.
- (m) Subject to the Corporations Act, the ASX Listing Rules and the Company's Constitution the Options are transferable only at the discretion of the Board of the Company. The Options will not be listed for quotation on the ASX.