

HEMISPHERE RESOURCES LIMITED

ACN 122 074 006

NOTICE OF GENERAL MEETING AND EXPLANATORY STATEMENT

**For the General Meeting to be held
on Wednesday, 28 March 2012 at 9:00am (Western Standard Time) at
The Celtic Club, 48 Ord Street, West Perth, Western Australia**

This is an important document. Please read it carefully.

***If you are unable to attend the Meeting, please complete the form of proxy enclosed
and return it in accordance with the instructions set out on that form.***

TIME AND PLACE OF GENERAL MEETING AND HOW TO VOTE

Venue

The General Meeting of Hemisphere Resources Limited will be held at:

The Celtic Club	Commencing
48 Ord Street	at 9:00am (Western Standard Time)
West Perth WA 6005	on Wednesday
	28 March 2012.

How to Vote

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

Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 9:00am (Western Standard Time).

Voting by Proxy

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

- send the proxy form by post to Hemisphere Resources Limited
PO Box 2803
West Perth, Western Australia, 6872; or
- send the proxy form by hand to the Company's office at 24 Colin Street, West Perth, Western Australia, 6005; or
- send the proxy form by facsimile to facsimile number 08 9481 1756,

so that it is received not later than 9:00am (Western Standard Time) on 26 March 2012.

Your proxy form is enclosed.

HEMISPHERE RESOURCES LIMITED

ACN 122 074 006

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of the Shareholders of Hemisphere Resources Limited will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Wednesday, 28 March 2012 at 9:00am (Western Standard Time) for the purpose of transacting the following business.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

AGENDA

GENERAL BUSINESS

Resolution 1 – Approval to grant Options to Jason Greive

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

"That, for the purposes of Chapter 2E of the Corporations Act and ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant to Jason Greive or his nominee up to 7,500,000 options to acquire fully paid ordinary shares in the capital of the Company (2,000,000 options to be vested after 6 months of continuous service 2,500,000 options to be vested after 12 months of continuous service, 3,000,000 options to be vested after 18 months of continuous service), to be issued in 3 tranches on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Jason Greive 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.

Resolution 2 - Approval to grant Options to Timothy Fairhead

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

"That, for the purposes of Chapter 2E of the Corporations Act and ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant to Timothy Fairhead or his nominee up to 2,250,000 options to acquire fully paid ordinary shares in the capital of the Company, (500,000 options to be vested after 6 months of continuous service ,750,000 options to be vested after 12 months of continuous service and the satisfaction of a performance hurdle, 1,000,000 options to be vested after 18 months of continuous service and the satisfaction of a performance hurdle) to be issued in 3 tranches on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Timothy Fairhead 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.

By order of the Board



Phillip MacLeod
Company Secretary
15 February 2012

VOTING AND PROXIES

1. A Shareholder of the Company entitled to attend and vote 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 the 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. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 26 March 2012 at 5:00pm (Western Standard Time).
4. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

HEMISPHERE RESOURCES LIMITED

ACN 122 074 006

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

1. RESOLUTIONS 1 AND 2 – APPROVAL TO GRANT OPTIONS TO RELATED PARTIES

Resolutions 1 and 2 seek Shareholder approval so that the Company may grant Options to Mr Greive and to Mr Fairhead.

1.1 Chapter 2E of the Corporations Act - Related Party Transaction

The proposed grant of Options to Messrs Greive and Fairhead as Directors in each case is a financial benefit to a related party requiring Shareholder approval under the Corporations Act in the absence of a specified exception applying.

The following information is provided to Shareholders in relation to Resolutions 1 and 2.

(a) **The Related Party to whom the Proposed Resolutions would permit the Financial Benefit to be given**

The related parties are Jason Greive or his nominee (Resolution 1) and Timothy Fairhead or his nominee (Resolution 2).

(b) **The Nature of the Financial Benefit**

The proposed financial benefit to be given to Jason Greive is the grant of up to:

- (i) 2,000,000 Options vesting 23 July 2012;
- (ii) 2,500,000 Options vesting 23 January 2013; and
- (iii) 3,000,000 Options vesting 23 July 2013.

The proposed financial benefit to be given to Timothy Fairhead is the grant of up to:

- (i) 500,000 Options vesting 23 July 2012;
- (ii) 750,000 Options vesting 23 January 2013 and the satisfaction of a performance hurdle; and
- (iii) 1,000,000 Options vesting 23 July 2013 and the satisfaction of a performance hurdle.

The terms of the Options to be granted to Jason Greive are set out in Schedule 1 and the terms of the Options to be granted to Timothy Fairhead are set out in Schedule 2.

(c) **Reasons for giving the benefit and Directors' Recommendation**

The Board currently consists of Jason Greive, Timothy Fairhead, Paul Boyatzis, Mark Elliott and Daniel Costick.

Jason Greive was appointed managing director on 23 January 2012. Timothy Fairhead was appointed as a non-executive director on 23 January 2012. Jason Greive is to be granted Options by Resolution 1 and Timothy Fairhead is to be granted Options by Resolution 2. The number of Options to be granted to each of these Directors and the terms of the Options was negotiated by the Directors independent of the particular Director receiving the Options.

The grant of the Options to Messrs Greive and Fairhead preserves the cash resources of the Company and is an incentive for performance as incoming Directors that further aligns their interests with Shareholders. The independent Directors in each case consider that the particular number of Options to be granted is appropriate in light of that Director's skill and experience and their current remuneration as detailed below. In order to ensure continuity of service, there are continuous service vesting hurdles for each tranche of the Options and the second and third tranches of Mr Fairhead's Options are further subject to a performance vesting hurdle as set out in Schedule 2.

The Company acknowledges that the issue of the Options to Mr Fairhead as a non-executive Director may be contrary to guidelines for non-executive remuneration in recommendation 8.3 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the grant of the Options to be reasonable in the circumstances given the Company's size and stage of development and the importance of maintaining the Company's cash reserves.

The independent Directors in each case thereby recommend that Shareholders vote in favour of Resolutions 1 and 2.

Mr Greive abstains from making a recommendation to Shareholders on Resolution 1 as he has a material personal interest in the outcome as the recipient of the Options.

Mr Fairhead abstains from making a recommendation to Shareholders on Resolution 2 as he has a material personal interest in the outcome as the recipient of the Options.

(d) **Dilution**

The passing of Resolutions 1 and 2 would have the effect of granting up to 9,750,000 options.

If any of the options are exercised into Shares, the effect would be to dilute the shareholding of existing Shareholders. If all the 9,750,000 options were exercised into Shares, the effect would be to dilute the shareholding of the existing Shareholders by approximately 12.17% based on the total number of Shares on issue at the date of this Notice being 70,383,575.

The actual dilution will depend on the extent of further equity raised by the Company and whether any of the options are exercised.

(e) **Total Remuneration Package of Related Parties**

The remuneration received by Jason Greive is \$350,000 per annum as a salary plus statutory superannuation (currently 9%).

The remuneration received by Timothy Fairhead is \$50,000 per annum as a Director's fee.

(f) **Existing Relevant Interests**

At the date of this Notice, Messrs Greive and Fairhead and their associates have the following relevant interest in securities of the Company.

	Shares
Jason Greive	Nil
Timothy Fairhead	Nil

There are no Options or other securities currently on issue in the Company.

(g) **Trading History**

The following table gives details of the highest, lowest and the latest closing price of the Company's Shares trading on the ASX over the last 12 months.

	Date	Closing Price
Highest Price	15 and 16 February 2011	40 cents
Lowest Price	8, 9 and 10 February 2012	12 cents
Latest Price	14 February 2012	12.5 cents

(h) **Valuation of Options**

The Options will not be quoted on ASX.

The Company has valued the Options to be granted to the Directors or their nominees using the Black-Scholes option pricing model.

The following assumptions have been made regarding the inputs required for the pricing model for all the Options:

Input		Note
Underlying security spot price	12.5 cents	1
Dividend rate	Nil	2
Volatility rate	76.5%	3

Note 1 The underlying security spot price used for the purposes of this valuation is based on the closing price of Shares on the valuation date of 14 February 2012 which was 12.5 cents.

Note 2 As at the date of the valuation, the Company had not forecast any future dividend payments. For the purposes of the valuation it is therefore assumed that the Company's share price is "ex-dividend". If dividend payments were forecast, the value of the Options would be reduced.

Note 3 A volatility rate of 76.5% has been adopted. This rate has been calculated by reference to the volatility of the Shares of the Company over the previous 12 months.

I. Valuation of Resolution 1 Options

Additional assumptions regarding the inputs required for the valuation of the Options to be issued to Mr Greive are:

Input		Note
Tranche 1		
Number of Options	2,000,000	
Exercise price	19.8 cents	1
Expiry date	23 July 2015	2
Risk Free Rate	3.55%	3
Tranche 2		
Number of options	2,500,000	
Exercise price	21.1 cents	1
Expiry date	23 January 2016	2
Risk Free Rate	3.59%	3
Tranche 3		
Number of options	3,000,000	
Exercise price	22.4 cents	1
Expiry date	23 July 2016	2
Risk Free Rate	3.60%	3

Note 1 The exercise price for tranche 1 is 150% of the volume weighted average closing price for the 30 trading days prior to issue of the Options.

The exercise price for tranche 2 is 160% of the volume weighted average closing price for the 30 trading days prior to issue of the Options.

The exercise price for tranche 3 is 170% of the volume weighted average closing price for the 30 trading days prior to issue of the Options.

This example uses the 30 trading days prior to the Notice date. The volume weighted average price for the 30 days prior to 14 February 2012 is 13.2 cents.

Note 2 The expiry dates are as set out in Schedule 1.

Note 3 The risk free rate is based on the current Reserve Bank indicative mid rates of selected Commonwealth Government securities with a maturity date approximating the Option expiry date.

Based on the above assumptions the Options proposed to be issued to Mr Greive have been valued as follows:

Value of Options	
	Options
Tranche 1	4.96 cents per Option (total value - \$99,246)
Tranche 2	4.77 cents per Option (total value - \$119,157)
Tranche 3	4.58 cents per Option (total value - \$137,515)

No discount has been applied to the values for the vesting conditions set out in Schedule 1.

II. Valuation of Resolution 2 Options

Additional assumptions regarding the inputs required for the valuation of the Options to be issued to Mr Fairhead are:

Input		Note
Tranche 1		
Number of Options	500,000	
Exercise price	19.8 cents	1
Expiry date	23 July 2015	2
Risk Free Rate	3.55%	3
Tranche 2		
Number of Options	750,000	
Exercise price	21.1 cents	1
Expiry date	23 January 2016	2
Risk Free Rate	3.59%	3
Tranche 3		
Number of Options	1,000,000	
Exercise price	22.4 cents	1
Expiry date	23 July 2016	2
Risk Free Rate	3.60%	3

- Note 1 The exercise price for tranche 1 is 150% of the volume weighted average closing price for the 30 trading days prior to issue of the Options.
The exercise price for tranche 2 is 160% of the volume weighted average closing price for the 30 trading days prior to issue of the Options.
The exercise price for tranche 3 is 170% of the volume weighted average closing price for the 30 trading days prior to issue of the Options.
This example uses the 30 trading days prior to the Notice date. The volume weighted average price for the 30 days prior to 14 February 2012 is 13.2 cents.
- Note 2 The expiry dates are set out in Schedule 2.
- Note 3 The risk free rate is based on the current Reserve Bank indicative mid rates of selected Commonwealth Government securities with a maturity date approximating the Option expiry date.

Based on the above assumptions the Options proposed to be issued to Mr Fairhead have been valued as follows:

Value of Options	
	Options
Tranche 1	4.96 cents per Option (total value - \$24,811)
Tranche 2	4.77 cents per Option (total value - \$35,747)
Tranche 3	4.58 cents per Option (total value - \$45,838)

No discount has been applied to the values for the vesting conditions set out in Schedule 2.

(i) **Other Information**

The Directors do not consider that there are opportunity costs to the Company or benefits foregone by the Company in granting the Options.

For accounting purposes, the Options will be recognised as an expense.

The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision as to whether it is in the best interests of the Company to pass Resolutions 1 and 2.

1.2 **ASX Listing Rule 10.14**

ASX Listing Rule 10.14 provides that a company must not issue securities to a director of the company under an employee incentive scheme unless the issue has been approved by shareholders by ordinary resolution. If approval is given by shareholders under ASX Listing Rule 10.14, separate shareholder approval is not required under ASX Listing Rule 10.11.

Under Resolutions 1 and 2, the Company seeks approval from Shareholders for the issue of Options to Jason Greive and Timothy Fairhead as Directors who are each related parties of the Company.

For the purposes of ASX Listing Rule 10.15, the following information is provided:

- (a) The Options will be issued to Jason Greive and Timothy Fairhead.
- (b) The maximum number of Options that will be issued to the related parties is 9,750,000 options as set out in Resolutions 1 and 2.
- (c) No monetary consideration is payable for the issue of the Options.
- (d) No securities have to date been issued under the Option Plan.
- (e) All the Directors are entitled to participate in the Option Plan.
- (f) No loans will be provided to Directors.
- (g) The Options will be issued no later than 12 months after the date of Shareholder approval.

HEMISPHERE RESOURCES LIMITED

ACN 122 074 006

GLOSSARY

In the Notice and this Explanatory Statement the following expressions have the following meanings:

"**ASX**" means the ASX Limited (ABN 98 008 624 691).

"**ASX Listing Rules**" or "**Listing Rules**" means the Listing Rules of the ASX.

"**Board**" means the Board of Directors of the Company.

"**Business Day**" has the same meaning as in the ASX Listing Rules.

"**Chairman**" means the chairman of the Company.

"**Company**" or "**Hemisphere Resources**" means Hemisphere Resources Limited (ACN 122 074 006).

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

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

"**Directors**" mean the directors of the Company from time to time.

"**Explanatory Statement**" means this Explanatory Statement.

"**Meeting**" means the meeting convened by this Notice.

"**Notice**" means the notice of meeting that accompanies this Explanatory Statement.

"**Option**" means an option to acquire a Share.

"**Option Plan**" means the Employee and Officer Share Option Plan approved by shareholders at the Annual General Meeting held 30 November 2011.

"**Optionholder**" means a holder of an Option.

"**Resolution**" means a resolution referred to in the Notice.

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

"**Shareholder**" means a registered holder of a Share.

"**WST**" or "**Western Standard Time**" means Western Standard Time, Perth, Western Australia.

SCHEDULE 1

Terms Options to Jason Greive under the Option Plan (Resolution 1)

1. The Options will be issued on one date but in 3 tranches as follows:

Tranche	Number of Options	Exercise price	Expiry Date	Vesting Hurdle*
1	2,000,000	150% of the volume weighted average closing price for the 30 trading days prior to issue of the Options.	23 July 2015	6 months continuous service as managing director from 23 January 2012.
2	2,500,000	160% of the volume weighted average closing price for the 30 trading days prior to issue of the Options.	23 January 2016	12 months continuous service as managing director from 23 January 2012.
3	3,000,000	170% of the volume weighted average closing price for the 30 trading days prior to issue of the Options.	23 July 2016	18 months continuous service as managing director from 23 January 2012.
Total	7,500,000	*For each tranche, the vesting hurdle will be deemed to be satisfied in the event of a successful takeover bid where the bidder has acceptances for greater than 50% of the Shares in the Company.		

2. On exercise, each Option entitles the holder to one (1) Share.
3. Subject to the vesting hurdle being met, the Options are exercisable at any time prior to 5.00pm WST on the Expiry Date. Any Option not exercised on or before the Expiry Date will lapse.
4. The exercise price of the Options is the amount calculated by reference to the formula set out in the table at paragraph 1.
5. Subject to vesting hurdles, the Options are freely transferable and quotation of the Options will not be sought.
6. The Company will provide to each Option holder a notice that is to be completed when exercising the Options ("Notice of Exercise"). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
7. Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be allotted and issued a Share ranking equally in all respects with the existing Shares. The Company will apply to ASX for official quotation of Shares issued on the exercise of Options.
8. There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 business days after the issue is announced. This will give Option holders the opportunity (where available) to exercise their Options prior to the date for determining entitlements to participate in any such issue.

9. If there is a bonus issue ("Bonus Issue") to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue ("Bonus Shares"). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
10. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Option holder are to be changed in a manner consistent with the Listing Rules.

SCHEDULE 2

Terms of Options to Timothy Fairhead under the Option Plan (Resolution 2)

1. The Options will be issued on one date but in 3 tranches as follows:

Tranche	Number of Options	Exercise price	Expiry Date	Vesting Hurdle*
1	500,000	150% of the volume weighted average closing price for the 30 trading days prior to issue of the Options.	23 July 2015	6 months continuous service as non-executive director from 23 January 2012.
2	750,000	160% of the volume weighted average closing price for the 30 trading days prior to issue of the Options.	23 January 2016	12 months continuous service as non-executive director from 23 January 2012 and prior to the Expiry Date the Company (with a consent resolution of the Board of Directors) has entered into any form of binding commitment (where a binding commitment shall be taken to include, but not be limited to, an option agreement, heads of agreement or memorandum of understanding) for the acquisition of an interest in 5 separate projects. A project includes, but is not limited to, a greenfield or advanced exploration tenement or an operating mine.
3	1,000,000	170% of the volume weighted average closing price for the 30 trading days prior to issue of the Options.	23 July 2016	18 months continuous service as non-executive director from 23 January 2012 and prior to the Expiry Date the Company (with a consent resolution of the Board of Directors) has entered into any form of binding commitment (where a binding commitment shall be taken to include, but not be limited to, an option agreement, heads of agreement or memorandum of understanding) for the acquisition of an interest in 10 separate projects. A project includes, but is not limited to, a greenfield or advanced exploration tenement or an operating mine.
Total	2,250,000	*For each tranche, the vesting hurdle will be deemed to be satisfied in the event of a successful takeover bid where the bidder has acceptances for greater than 50% of the Shares in the Company.		

2. On exercise, each Option entitles the holder to one (1) Share.

3. Subject to the vesting hurdle being met, the Options are exercisable at any time prior to 5.00pm WST on the Expiry Date. Any Option not exercised on or before the Expiry Date will lapse.
4. The exercise price of the Options is the amount calculated by reference to the formula set out in the table at paragraph 1.
5. Subject to vesting hurdles, the Options are freely transferable and quotation of the Options will not be sought.
6. The Company will provide to each Option holder a notice that is to be completed when exercising the Options ("Notice of Exercise"). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
7. Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be allotted and issued a Share ranking equally in all respects with the existing Shares. The Company will apply to ASX for official quotation of Shares issued on the exercise of Options.
8. There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 business days after the issue is announced. This will give Option holders the opportunity (where available) to exercise their Options prior to the date for determining entitlements to participate in any such issue.
9. If there is a bonus issue ("Bonus Issue") to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue ("Bonus Shares"). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
10. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Option holder are to be changed in a manner consistent with the Listing Rules.

HEMISPHERE RESOURCES LIMITED
ACN 122 074 006
PROXY FORM

APPOINTMENT OF PROXY
HEMISPHERE RESOURCES LIMITED
ACN 122 074 006

I/We

being a Shareholder of Hemisphere Resources Limited entitled to attend and vote at the General Meeting, hereby

Appoint

Name of Proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the General Meeting to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on 28 March 2012 at 9:00am (WST) and at any adjournment thereof.

Voting on Business of the Annual General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Approval to grant Options to Jason Greive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval to grant Options to Timothy Fairhead	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If the chair of the 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 a Resolution, please place a mark in the box. By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he has an interest in the outcome of the Resolutions and that the votes cast by the Chair of the meeting for those Resolutions other than as proxy holder will be disregarded because of that interest. **The Chair intends to vote any such undirected proxies in favour of all Resolutions.** 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 the Resolutions and your votes will not be counted in calculating the required majority if a poll is called on the Resolutions.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are 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 return this Proxy Form to the Company Secretary, Hemisphere Resources Limited, 24 Colin Street, West Perth, Western Australia, 6005 or by fax to (08) 9481 7156 by 9:00am (WST) on 26 March 2012.

Signed this _____ day of _____ 2012.

By:

Individuals and joint holders

Companies (affix common seal if appropriate)

Signature

Director

Signature

Director/Secretary

Signature

Sole Director and Sole Secretary

Instructions for Completing Appointment of Proxy Form

1. In accordance with section 249L of the Corporations Act, a shareholder of the Company who is entitled to attend and cast two or more votes at a general meeting of shareholders is entitled to appoint two proxies. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with sections 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of sections 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. In accordance with section 250BA of the Corporations Act the Company specifies the following for the purposes of receipt of proxy appointments:

Registered Office: 24 Colin Street, West Perth, Western Australia, 6005

Fax Number: +61 (8) 9481 7156

Postal Address: PO Box 2803, West Perth, Western Australia, 6872

by no later than 48 hours prior to the time of commencement of the Meeting.