

LinQ Resources Fund (**LRF**)
ARSN 108 168 190

Notice of Meeting

and

Explanatory Memorandum
to Unitholders

A Proxy Form in relation to the Meeting is enclosed

Please read the Notice and Explanatory Memorandum carefully.

If you are unable to attend the Meeting, please complete and return the enclosed proxy form in accordance with the specified instructions.

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Letter from the Chairman

22 August 2012

Dear Unitholders,

For some time your Board has been monitoring the impact of the financial markets on the discount at which LRF's Units trade on the Australian Securities Exchange (**ASX**) relative to its net tangible assets per Unit. Since the onset of the global financial crisis we have noted a significant widening of the discount due largely to global market volatility.

Given the nature of the underlying issues affecting market volatility, the Board anticipates that the current conditions will remain in the foreseeable future and that the traditional tools, such as on-market buy-back and withdrawal tenders, will be less effective to address the discount.

Consequently, your directors and their advisers have considered alternative options to address the prevailing discount to assist Unitholders to realise the value of their investment at prices closer to NTA.

Your directors believe that the best option is to delist LRF's Units from trading on the ASX and to provide initial and annual opportunities for Unitholders to redeem their Units at NTA (less costs).

Accompanying this letter is a notice calling a meeting of Unitholders of LRF on 17 September 2012 seeking approval to the delisting and an explanatory memorandum explaining the implications of the delisting. I would urge you to carefully read the explanatory memorandum.

An immediate benefit of the delisting will be that the Units in LRF can be valued at their NTA (less costs), rather than the current significant discount to NTA. As at 30 June 2012, LRF's Units were trading at a discount of approximately 47% to NTA (on an after tax unaudited basis).

In relation to the ongoing redemption opportunities for Unitholders, the Board has taken into account the nature of the Fund's investment portfolio and the risk of not realising full value for untimely divestment of assets. Accordingly it is proposed that:

- 20% of the LRF's NTA will be made available for redemption by Unitholders at NTA value (less costs) under an Initial Redemption Offer which is available to Unitholders who held Units on the Record Date of 9 August 2012 in relation to Units they held on that date. This offer will close 2 days prior to the date of the meeting of Unitholders; and
- 10% of the LRF's NTA will be made available for redemption by Unitholders at NTA value (less costs) under an annual Ongoing Redemption Facility.

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Details of the redemption opportunities are set out in section 2 of the Explanatory Memorandum.

Delisting will mean that LRF will continue to operate as an open-ended managed investment scheme. Delisting will not change the investment activities of LRF.

In summary, the Board believes that the following factors are relevant to the decision to delist:

- the removal of the discount to NTA will allow Unitholders to value their unitholding at NTA (less costs) rather than the ASX market price;
- Unitholders will have the opportunity to sell at least 30% of their Units at NTA value (less costs) in the 14 months from the delisting under the Initial Redemption Offer and an annual Ongoing Redemption Facility;
- as not all Unitholders are expected to participate in the Initial Redemption Offer and the Ongoing Redemption Facility, Unitholders seeking to participate will then be able to sell a greater percentage of their Units through these redemption mechanisms;
- LRF will endeavour to facilitate a secondary market of LRF Units by introducing parties who have expressed an interest to buy and sell Units in the Fund;
- LRF will continue to provide monthly NTA and quarterly reports on its website instead of on the ASX platform;
- there will be no change in the investment activities of LRF;
- ongoing fundraising in the Fund will be undertaken at NTA (less costs) rather than at a substantial discount to NTA;
- LRF will save the costs associated with maintaining a listing on the ASX;
- a more stable Unit register going forward;
- delisting itself will not create any adverse tax implications for Unitholders; and
- strict statutory compliance and governance management processes for LRF will remain unchanged.

Your Board unanimously supports delisting of the Units and urges that you vote FOR the resolution.

If you have any queries about the proposal or the information in this Notice of Meeting and Explanatory Memorandum, contact the Responsible Entity on +61 (0)8 9488 8888 or by email on info@lingresources.com.

We thank you for your continuing support.

Yours faithfully,

Bruno Camarri AM
Chairman
LinQ Capital Limited

Key dates

Event	Date
Record Date for Initial Redemption Offer	9 August 2012
Date of this Explanatory Memorandum	22 August 2012
Last date for receipt of proxies and snapshot date to determine voting entitlements at Meeting	15 September 2012 at 10.00am (WST)
Closing date of Initial Redemption Offer	15 September 2012 at 10.00am (WST)
Meeting of Unitholders	17 September 2012 at 10.00am (WST)
Suspension Date	2 October 2012
Proceeds of Initial Redemptions paid to Unitholders if delisting of LRF is approved by Unitholders	5 October 2012
Delisting Date	9 October 2012

Action required by Unitholders

Step 1:

Read the Notice of Meeting and the Explanatory Memorandum. The Explanatory Memorandum sets out details of the Resolution to be put to the Meeting.

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 Level 36, QV.1 Building, 250 St Georges Terrace, Perth, Western Australia, on 17 September 2012 at 10:00am (WST); or
- Completing and returning the proxy form accompanying the Notice of Meeting so that the original form is received at Computershare Investor Services Pty Limited at least 48 hours before the appointed time for the Meeting.

Your Board recommends that you vote FOR the proposed Resolution.

Step 3:

Unitholders wishing to redeem part or all of their Units through the voluntary Initial Redemption Offer can do so by:

- Completing and returning the Application Form accompanying the Notice of Meeting so that the original form is received at Computershare Investor Services Pty Limited at least 48 hours before the appointed time for the Meeting.

Please note that your participation in the Initial Redemption Offer is not compulsory and you therefore do not have to complete this application form if you do not wish to participate in the Initial Redemption Offer.

Explanatory Memorandum

This Explanatory Memorandum explains the rationale for the Resolution to be put to Unitholders at the Meeting of Unitholders to be held on 17 September 2012.

1 Introduction

For some time the Board of the Responsible Entity of the LRF has been monitoring the impact of the financial markets on the discount at which the Fund's Units trade on the ASX relative to the its NTA per Unit. Since the onset of the global financial crisis, the Board has noted a significant widening of the discount.

The Board believes that this has occurred due mainly to increased global market volatility since the commencement of the global financial crisis. More specifically, the Board believes that together with other factors, increased volatility has occurred from more macro or global events such as the sovereign debt troubles in both the Eurozone and the USA and the consequential need for governments to implement economic growth programs in most developed economies. In turn, the Board believes these conditions have, and continue to cause, short term equity prices to deviate from their longer term trend which is generally a more accurate reflection of intrinsic value. Whilst this market environment creates substantial investment opportunity for the Manager, it has also had an adverse impact on the market price of your Fund's Units.

Given the nature of the underlying issues affecting market volatility, the Board anticipates current conditions to remain for the foreseeable future. In this regard, the traditional discount management tools such as those implemented by the Fund in recent years (e.g. on-market buy-backs of Units and the withdrawal tender offers) are less effective in isolation to address the discount issues.

Consequently, the Board in conjunction with its advisors has considered alternative options to address the prevailing discount at which the LRF Units trade on market and to provide various (initial and ongoing) redemption mechanisms to assist Unitholders realise (on a pro rata basis) the value of their investment at NTA value (less costs).

2 Proposal

With current market conditions causing reduced liquidity, as reflected in the discount level at which the Fund's Units trade to NTA, the Responsible Entity of the Fund is proposing to delist the Units of the LinQ Resources Fund from the ASX so that investors will hold their interest through Units in an unlisted open-ended registered managed investment scheme. Delisting the Fund will provide an immediate uplift in the value at which Unitholders hold their investment in the Fund to NTA (less costs).

The Fund has focussed on its Enhanced Investment Strategy and has increased its weighting of convertible notes and income related investments - presently the Fund has committed 23% of its capital into such investment instruments. The Manager believes that this particular strategy provides for:

- additional capital preservation in the portfolio for Unitholders in more volatile markets;
- an increase in direct cash income streams into the Fund from interest coupons which can be distributed to Unitholders; and
- a lower risk profile for Unitholders as the Fund generally invests in secured debt-related investments whilst retaining the opportunity to convert those that are convertible notes instruments into equity holdings in the investee company, thereby maximising investment returns for Unitholders when equity markets improve.

In proposing the delisting of the Fund, the Board also recognises the need to provide liquidity for investors. Thus it is proposed that should the delisting be approved by Unitholders, then the Responsible Entity will offer eligible Unitholders who may wish to realise some or all of their holdings in the Fund an opportunity to do so over time through an Initial Redemption Offer (**Initial Redemption Offer**) at NTA value (less costs).

In addition, the Responsible Entity will provide Unitholders with an ongoing redemption mechanism (**Ongoing Redemption Facility**) at a value of NTA (less costs). This should provide existing Unitholders and incoming Unitholders with greater confidence on how they can realise their holdings in the Fund post delisting through the Ongoing Redemption Facility.

2.1 Initial Redemption Offer upon delisting

In considering the opportunity for Unitholders who wish to realise some or all of their investment in the Fund over time if the delisting is approved, the Board has taken into account the nature of the limited liquidity of the Fund's portfolio in assessing the level of liquidity that can be offered under the Initial Redemption Offer. Consideration has also been given to ensure that remaining Unitholders are not impacted unfairly from premature and unlimited selling of the Fund's investment holdings (both on and off market) to provide liquidity for the Initial Redemption Offer.

In reviewing the portfolio's liquidity, it is worth noting the risk of not realising full value for Unitholders when divesting investments in an untimely manner. The specific investments held by the Fund at present include:

- listed equity holdings in generally less mature, developing mining projects and companies where the full value of the investment has yet to materialise;
- unlisted equity holdings for which no liquid market and trading exists;
- unlisted debt-related investments and convertible notes which have maturity profiles over 12 months; and
- investment commitments or follow-on investments planned by the Fund.

Taking the above into account, the Responsible Entity, along with its advisors, has designed the one off Initial Redemption Offer accordingly, which is summarised in the table below:

Terms	Initial Redemption Offer
Conditions	The completion of the Initial Redemption Offer is subject to the delisting proposal being approved by Unitholders at the Meeting.
Eligibility	The Initial Redemption Offer is open to all Unitholders (other than LRF 2) registered on the Fund's Unit register on the Record Date of 9 August 2012 in relation to those Units they held on that date.
Size	The Initial Redemption Offer will be limited to 20% of the Fund's total NTA.
Price	The exit price for Unitholders who wish to realise part or all of their holding in the Fund will be undertaken at NTA per unit at close of business on 25 September 2012 (less transaction costs determined or estimated by the Responsible Entity to sell assets of the Fund to facilitate the redemption of Units) in accordance with the Initial Redemption Formula.
Timing	The Initial Redemption Offer will remain open from the date of issue of the Notice of Meeting on 22 August 2012 to 10:00am (WST) on 15 September 2012 (Initial Redemption Exercise Period).
Assets used to satisfy redemptions	The assets that will be used to satisfy redemptions under the Initial Redemption Offer will be uncommitted cash and the sale of equities. The amount of money expected to be available from those assets is \$21 million.
Scale back	In the event that Unitholders' redemption requests received are in excess of the size limit of 20% of the Fund's NTA, redemption requests will be made pro rata to a Unitholder's entitlement to Units on issue as at the Record Date.
Payment	The proceeds for the Initial Redemption Offer will be paid out to Unitholders within a maximum 21 days following the end of the Initial Redemption Exercise Period no later than 5 October 2012.

Unitholders wishing to participate in the Initial Redemption Offer will need to return a completed application form (accompanying this Notice of Meeting) at the latest 48 hours prior to the Meeting of Unitholders as per the instructions provided on that form. Other than with the consent of the Responsible Entity, once a Unitholder's application form for the Initial Redemption Offer has been submitted, it cannot be withdrawn.

Please note that your participation in the Initial Redemption Offer is not compulsory and you therefore do not have to complete this application form if you do not wish to participate in the Initial Redemption Offer.

2.2 Ongoing Redemption Facility following delisting

Once the Fund has delisted from the ASX, the Responsible Entity will implement an annual redemption facility that will provide Unitholders with a regular exit mechanism for all or part of their holdings in the Fund at NTA (less costs).

Similarly to the considerations made for the Initial Redemption Offer and considering the nature of the Fund's investment portfolio and strategy, the Responsible Entity has designed the Ongoing Redemption Facility to ensure that Unitholders, who take up the Ongoing Redemption Facility, do not disadvantage those Unitholders who do not participate in the facility. The Responsible Entity will provide the Ongoing Redemption Facility to Unitholders on an ongoing basis, but may suspend, or not offer, the Ongoing Redemption Facility in circumstances where it believes it will disadvantage Unitholders, until the position improves.

Subject to the terms and conditions of Ongoing Redemption Facility set out in the Constitution, the structure of the Ongoing Redemption Facility is as follows:

Terms	Ongoing Redemption Facility
Occurrence	Annually, starting 9 December 2013.
Eligibility	The Ongoing Redemption Facility will be open to all Unitholders (other than LRF 2) registered on the Fund's Unit register on 9 December each year, in relation to those Units they held on that date.
Size	The Ongoing Redemption Facility will be limited to 10% of the Fund's NTA.
Price	The exit price for Unitholders who wish to realise part or all of their holding in the Fund will be at NTA per Unit on 31 December each year (less transaction costs determined or estimated by the Responsible Entity to sell assets of the Fund to facilitate the redemption of Units) in accordance with the Ongoing Redemption Formula.
Payment	The proceeds for successful applications for the Ongoing Redemption Facility will be paid out to Unitholders within a maximum 90 days following the application deadline.

2.3 Secondary Sales of LRF Units

The Responsible Entity will endeavour to facilitate a secondary market of LRF units by introducing parties who have expressed an interest to buy or sell units in the Fund.

3 Ongoing Fundraising

The Board believes delisting the Fund from the ASX will enhance the Responsible Entity's ability to raise new capital for the Fund. This will allow the Responsible Entity to introduce new investors to grow the overall size of the Fund. It is envisaged that the unlisted model will accommodate future capital raisings at NTA (less costs).

To do so, the Responsible Entity will actively evaluate the opportunity to introduce the Fund's Units onto established investment platforms.

4 Impact for Unitholders

The proposal to delist the Fund from the ASX is designed to remove the persistent discount at which the Fund's Units trade to NTA. In addition, the Board in conjunction with its advisors has structured the proposal in order to provide Unitholders with more confidence in obtaining a value closer to NTA when realising all or some of their holdings in the Fund and providing a mechanism for ongoing capital raisings to grow the Fund.

The Board has considered the implications for Unitholders and concluded the following points are of relevance to Unitholders to consider the proposal:

- the delisting of the LinQ Resources Fund will provide Unitholders with an immediate uplift in the value at which Unitholders hold their investment in the Fund to NTA (less costs);
- for Unitholders who do not wish to remain in the Fund, the combined Initial Redemption Offer and Ongoing Redemption Facility offers Unitholders the opportunity to sell at least 30% of their holding at NTA (less costs) within 14 months following the delisting;
- as not all Unitholders are expected to participate in the Initial Redemption Offer and the Ongoing Redemption Facility, Unitholders seeking to participate will then be able to sell a greater percentage of their units through these redemption mechanisms;
- after LRF is delisted from the ASX, Unitholders will not be able to buy or sell Units in LRF on the ASX. However, following approval of the delisting, Unitholders will have a right of redemption at regular intervals under the Initial Redemption Offer and Ongoing Redemption Facility which will enable them to realise part or all their investment at a price reflecting the underlying NTA (less costs). Unitholders will also, subject to the terms of the Constitution, be able to transfer their Units off-market (although it may usually only occur where the seller has independently identified a buyer);
- once the LinQ Resources Fund is delisted, while it will not be required to publically announce its NTA on the ASX platform, it will continue to provide monthly NTA and quarterly reports on its website for all Unitholders and the Fund will continue to be audited annually and reviewed each half year by its auditors. Furthermore, the Fund will be required to provide continuous disclosure to ASIC which is available to Unitholders;
- once the LRF is delisted, the Fund's governance framework will continue to be governed by the Corporations Act. The ASX Listing Rules will no longer apply to the Fund. The main implications of this change include:
 - ability of the Responsible Entity to issue new Units in the Fund without restriction and the need to seek Unitholders' approval;
 - activation of a requirement for the Responsible Entity to approve the transfers of Units; and
 - the takeover provisions of the Corporations Act will not apply;
- implementation of the proposal will see the Fund save the costs associated with maintaining a listing on the ASX. There will however, be one-off costs (including legal, tax advisory, registry and consultancy fees) incurred to complete the implementation of the proposal;

- delisting itself will not create any adverse tax implications for Unitholders; and
- Should Unitholders approve of the proposal to delist the Fund, the Units held will move to a Computershare administered system of holding certificates from the current Issuer Sponsored or Chess Sponsored system.

5 Recommendation

Your Board recommends that all Unitholders vote FOR the resolution.

6 Tax

6.1 No reliance for taxation advice

This document is not intended to be an authoritative or complete statement of the law applicable to the particular circumstances of every Unitholder. This document does not purport to provide advice to any particular Unitholder, as the taxation position of each Unitholder may vary depending on the specific circumstances of the Unitholder. Unitholders should obtain professional advice relevant to their specific circumstances.

6.2 Tax implications of Delisting

Delisting itself will not create any adverse tax implications for Unitholders or LRF.

6.3 Tax implications of the Initial Redemption Offer and the Ongoing Redemption Facility

The following comments are general in nature and Unitholders should seek their own advice. The comments are limited to Unitholders who hold their Units on capital account.

LRF will be assessed on the gains resulting from any realisation of assets required to fund the Initial Redemption Offer and the Ongoing Redemption Facility.

For Australian Unitholders, different tax rates will be applied to different types of investors, depending on their individual circumstances (i.e. personal, corporate or superannuation funds).

Distributions made under the Initial and Ongoing Redemption Offers will have a capital component which essentially represents a return of subscribed capital. There may also be a dividend component.

In respect of the Initial Redemption Offer, the capital component of the redemption price for each redeemed unit will be the lesser of \$0.88 or the redemption price. The \$0.88 is based on the approximate average amount of capital subscribed per Unit as at the Record Date.

The full amount of the capital component will be debited against the issued capital of LRF in its accounts. On this basis, no amount of the capital component should constitute an assessable dividend.

The assessable dividend component, if any, should equal the applicable redemption price minus the capital component. Any dividend component under the Initial Redemption Offer is expected to be fully franked. LinQ Capital will provide further guidance on any dividend component at the time of distribution.

The above treatment is consistent with an Australian Taxation Office Class Ruling obtained in respect of the 2010 withdrawal offer. There is a risk of the Australian Taxation Office changing its view in respect of a redemption under the Initial Redemption Offer or the Ongoing Redemption Facility. If that happens, then it is possible the dividend component of the applicable redemption price would be higher and that this additional part of the dividend component would be unfranked.

Australian Unitholders

Australian Unitholders will be required to include any assessable dividend component in assessable income. It is likely that Australian Unitholders who have not supplied their tax file number will be subject to withholding tax of 46.5% in respect of the dividend component.

It is expected that the dividend component will be fully franked. If certain requirements are met, Australian Unitholders who receive an assessable dividend component will be:

- (1) required to also include the amount of the attached franking credits in their assessable income; and
- (2) be entitled to a tax offset equal to amount of the franking credits attached to the dividend component.

These requirements include:

- whether the Australian Unitholder is a 'qualified person' in relation to the dividend component; and
- whether certain dividend franking integrity measures apply.

There will also be capital gains tax (**CGT**) consequences for Australian Unitholders in respect of the receipt of a capital component of the redemption price (under either the Initial Redemption Offer or the Ongoing Redemption Facility).

Broadly:

- If a Unitholder has a cost base for its Units less than the capital component, it will be deemed to have made a capital gain equal to the difference;
- If a Unitholder has a cost base for its Units that is between the capital component and the applicable redemption price, it will not be deemed to have made a capital gain or loss; and
- If a Unitholder has a cost base greater than the applicable redemption price, it will be deemed to have made a capital loss equal to the difference between the cost base and the redemption price.

Depending on their circumstances, Australian Unitholders may be entitled to a CGT discount of 50% or 33.33%.

To the extent an Australian Unitholder holds as nominee or custodian for a non-resident investor, the comments below in respect of Registered Overseas Unitholders will broadly apply, save that it will be the nominee or custodian that is required to withhold tax.

Registered Overseas Unitholders

A capital component will not attract dividend withholding tax or be otherwise assessable.

On the assumption that the dividend component is fully franked, a Registered Overseas Unitholder should receive the dividend component free of any Australian income tax or dividend withholding tax, provided that it is not a resident of Australia for income tax purposes or holding its units through an Australian permanent establishment.

To the extent that Registered Overseas Unitholders hold their units on capital account, Registered Overseas Unitholders will not be subject to Australian CGT on a redemption of their Units provided that:

- the Registered Overseas Unitholder is not a resident of Australia for income tax purposes; and
- the units in LRF are not Taxable Australian Property.

7 Additional Information

7.1 Halt and suspension of trading of LRF Units

If the necessary approval of Unitholders at the Meeting is obtained, LRF Units will be suspended from trading 10 business days after the meeting (**Suspension Date**), and would remain in suspension until LRF is delisted approximately 4-5 business days later (**Delisting Date**).

7.2 Other consequential amendments

As LRF would continue to operate as an open-ended managed investment scheme post delisting, all current arrangements with LinQ Capital as Responsible Entity, LinQ Management Pty Ltd as investment manager, Computershare as Unit registry, Perpetual Corporate Trust Limited as custodian, and other service providers would continue.

7.3 Contact details

If you have any queries about the proposal or the information in this Notice of Meeting and Explanatory Memorandum, contact the Responsible Entity on +61 (0)8 9488 8888 or by email on info@lingresources.com.

Glossary

The terms set out below and used in this Explanatory Memorandum and in the Notice of Meeting have the following meanings.

Term	Meaning
\$ or dollars	Australian dollars.
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited (ACN 008 624 691) or the market operated by it, whichever the context requires.
Board	the board of directors of LinQ Capital Limited as the Responsible Entity of the LinQ Resources Fund
Constitution	the constitution of LRF.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Current Unit Value	means the amount calculated as follows: $CUV = \frac{CV}{NU}$ where: CUV is Current Unit Value; CV is Current Value; and NU is the number of fully paid Units on issue.
Current Value	means the amount determined by the Responsible Entity as the market value of all the assets of the Fund less: a) all amounts required to repay borrowings and to meet liabilities of the Fund (including the amount of any provision for actual or contingent liabilities the Responsible Entity determines to be made); and b) all amounts in the account maintained by or on behalf of the Responsible Entity into which moneys are paid prior to payment of a distribution to a Unitholder.

Term	Meaning
Delisting Date	5 business days following the Suspension Date.
Explanatory Memorandum	this explanatory memorandum.
Fund or LRF	LinQ Resources Fund (ARSN 108 168 190).
Initial Redemption Formula	$A = (NTA - TC) \times U$ <p>Where:</p> <p>A is the amount to be paid to a Unitholder pursuant to the Initial Redemption Offer.</p> <p>NTA is the unaudited Current Unit Value calculated at the close of business on 25 September 2012.</p> <p>TC is the Withdrawal Transaction Charge per Unit.</p> <p>U is the total number of Units redeemed by a Unitholder.</p>
Initial Redemption Exercise Period	the period from the date of issue of the Notice of Meeting on 22 August 2012 to 10:00am (WST) on 15 September 2012.
Initial Redemption Offer	the initial redemption offer for the Fund outlined in section 2.1.
LinQ Capital or RE	LinQ Capital Limited (ABN 66 098 197 258) as Responsible Entity for the LinQ Resources Fund.
Listing Rules	the Listing Rules of ASX.
LRF2	LinQ Capital No 2 Pty Ltd (ACN 128 289 065) as trustee for the LinQ Resources Fund No 2.
Meeting	the meeting of Unitholders convened by the Notice of Meeting.
NTA	net tangible assets.
Notice of Meeting	means the notice convening a meeting of Unitholders at 10.00am (WST) on 17 September 2012 attached to this Explanatory Memorandum.

Term	Meaning
Ongoing Redemption Facility	the ongoing redemption offer for the Fund outlined in section 2.2
Ongoing Redemption Formula	$A = (NTA - TC) \times U$ <p>Where:</p> <p>A is the amount to be paid to a Unitholder pursuant to the Ongoing Redemption Offer.</p> <p>NTA is the unaudited Current Unit Value calculated on 31 December each year.</p> <p>TC is the Withdrawal Transaction Charge per Unit.</p> <p>U is the total number of Units redeemed by a Unitholder.</p>
Registered Overseas Unitholder	a Unitholder whose registered address is in a jurisdiction outside of Australia.
Record Date	the record date for the Initial Redemption Offer being 9 August 2012
Resolution	the resolution to be put to the Meeting set out in the Notice of Meeting.
Suspension Date	10 business days following the Meeting.
Unit	a fully paid unit in LRF.
Unitholder	the holder of a Unit.
Withdrawal Transaction Charge per Unit	<p>means the amount calculated as follows:</p> $WTCPU = \frac{TC}{NU}$ <p>where:</p> <p>WTCPU is Withdrawal Transaction Charge per Unit;</p> <p>TC is the total amount, which may be nil, determined or estimated by the Responsible Entity as the costs incurred, or which would be incurred, for the sale or disposal of an asset or assets of the Fund necessary to facilitate the redemption of Units.</p> <p>NU is the number of fully paid Units on issue.</p>

Term	Meaning
WST	Western Australian Standard Time.
You or you	a Unitholder.

Disclaimer

The information provided in the letter from the Chairman, the Explanatory Memorandum and the Notice of Meeting includes certain statements, estimates, and projections provided by LinQ Capital Limited and its directors and officers with respect to present and future events. Such statements, estimates, and projections are based on unaudited financial information, reflect various assumptions concerning anticipated results, which information and assumptions may not prove to be accurate. Accordingly, no representations are made as to the accuracy or completeness of such statements, estimates and projections and such statements, estimates and projections should not be relied upon as indicative future value, or as a guarantee of value of future results. No forecast of future financial performance is being provided by LinQ Capital Limited or its directors or officers.

Notice of Meeting

LinQ Resources Fund ARSN 108 168 190 ('LRF')

Notice of Meeting

Notice is given by LinQ Capital Limited, as responsible entity of LRF (**Responsible Entity**), that a meeting of the Unitholders of LRF will be held at Level 36, QV.1 Building, 250 St Georges Terrace, Perth, Western Australia, on 17 September 2012 at 10:00am (WST).

Agenda items

1 Delisting of LinQ Resources Fund

To consider, and if thought fit, to pass the following Resolution as an **ordinary resolution**:

That the LinQ Resources Fund (**LRF**) be removed from the official list of the Australian Securities Exchange (**ASX**) on or about the date which is 15 business days after the date of the Meeting of Unitholders and that the Board of LinQ Capital Limited be authorised to do all things reasonably necessary or desirable to give effect to the delisting of LRF from the official list of the ASX.

For this Resolution to be passed, more than 50% of the votes cast by Unitholders present in person or by proxy must be in favour of the Resolution.

Explanatory Memorandum

Unitholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of Meeting.

Entitlement to vote

It has been determined that under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), for the purposes of the meeting, Units will be taken to be held by the persons who are the registered holders at 10:00am on 15 September 2012.

Accordingly, Unit transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Proxies

A proxy form accompanies this Notice of Meeting.

In accordance with section 252J of the *Corporations Act 2001* (Cth) and clause 34.8 and clause 34.9 of LRF's Constitution, Unitholders are advised that:

- a Unitholder has the right to appoint a proxy, attorney or representative, who need not themselves be a Unitholder;
- the appointment of an attorney or representative must be in writing executed by the Unitholder. It may, but need not, specify how the attorney or representative is to vote, or it may, but need not expressly, allow them to vote as they think fit;
- the appointment of a proxy must be in the form presented by the Responsible Entity (or as similar to this as circumstances allow);
- if the Unitholder appoints 2 proxies the Unitholder may specify the proportion or number of votes the proxy is appointed to exercise;
- a document appointing a proxy, attorney or representative is treated as giving authority to speak at a meeting and to demand a poll (or to join in demanding one); and
- if an appointment specifies how the proxy, attorney or representative is to vote, they are only entitled to vote as specified.

The Responsible Entity has appointed Computershare Investor Services Pty Limited as its agent for the purposes of receiving completed proxy forms, and the original proxy form and the original (or a certified copy) of any power of attorney (or any other authority) under which the proxy form is signed must be received at:

Computershare Investor Services Pty Limited
GPO Box 242
MELBOURNE VIC 3001
AUSTRALIA

or be faxed to and received by Computershare Investor Services Pty Limited at:

1800 783 447 (toll free)

International + 61 3 9473 2555

no later than **10:00am (WST) on 15 September 2012**. Otherwise, the proxy form will be treated as invalid.

For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

By Order of the Board of the Responsible Entity

Simon Durack
Company Secretary of the Responsible Entity

22 August 2012

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000



┌ 000001 000
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

For your vote to be effective it must be received by 10:00am (WST) on Saturday 15 September 2012

How to Vote on Items of Business

All your units will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of units you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of units for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of units for each in Step 1 overleaf.

A proxy need not be a Unitholder of the LinQ Resources Fund.

Signing Instructions

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate unitholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for LinQ Capital Limited as the responsible entity of LinQ Resources Fund, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your unitholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your unitholding
- Update your unitholding

Your secure access information is:

SRN/HIN: I999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Unitholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a Unitholder/s of LinQ Resources Fund hereby appoint

the Chairman
of the meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Meeting of Unitholders of the LinQ Resources Fund to be held at Level 36, QV.1 Building, 250 St Georges Terrace, Perth, Western Australia on Monday, 17 September at 10:00am (WST) and at any adjournment of that Meeting.

STEP 2 Resolution

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

LINQ

RESOURCES FUND

ARSN 108 168 190

The Directors recommend that you vote **FOR** the resolution

	For	Against	Abstain
Resolution 1 That the LinQ Resources Fund (LRF) be removed from the official list of the Australian Securities Exchange (ASX) on or about the date which is 15 business days after the date of the Meeting of Unitholders and that the Board of LinQ Capital Limited be authorised to do all things reasonably necessary or desirable to give effect to the removal of LRF from the official list of the ASX.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies **FOR** the resolution

SIGN Signature of Unitholder(s)

This section must be completed.

Individual or Unitholder 1

Sole Director and Sole Company Secretary

Unitholder 2

Director

Unitholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date

/ /

LRF

999999A

Computershare

Initial Redemption Offer Form

THIS FORM IS VOLUNTARY ONLY

You do not need to fill in this form
if you do not wish to participate in
the Initial Redemption Offer.

This page has been intentionally left blank.

IF YOU DO NOT UNDERSTAND IT PLEASE CONSULT YOUR PROFESSIONAL ADVISER IMMEDIATELY.

Please refer to the instructions on the back of this form.

000001 
 000
 SAM
 MR JOHN SAMPLE
 FLAT 123
 SAMPLE STREET
 SAMPLE STREET
 SAMPLE STREET
 SAMPLETOWN VIC 3030

Securityholder Reference Number (SRN)



I 1234567890 I N D

This form is voluntary and you do not need to complete this form if you do not wish to redeem any of your Units.

If you wish to apply for all or some of your Units to participate in the Initial Redemption Offer Unitholders are encouraged to vote YES for the Resolution by completing the Proxy Form, because the Resolution must be passed before any Units can be redeemed.

Please complete the following using black ink only
 I/we request that the following Units be redeemed, on the terms and conditions set out in the Explanatory Memorandum.

A Units you held as at 9 August 2012

B TOTAL NUMBER OF UNITS YOU REQUEST TO BE REDEEMED

The number of Units in this Box B must not be more than the number in of Units held as of the Record date.

C Please provide your contact details in case we need to speak to you about your Initial Redemption Offer Form:

_____ / /
 Contact Name Contact Daytime Telephone Date

D Please sign within the appropriate boxes below.

<input type="text"/>	<input type="text"/>	<input type="text"/>
Individual or Joint Unitholder 1	Joint Unitholder 2	Joint Unitholder 3
Sole Director and Sole Company Secretary	Director/Company Secretary	Director

INITIAL REDEMPTION OFFER FORMS MUST BE RECEIVED BY THE REGISTRY BY 10.00AM (WST) ON SATURDAY, 15 SEPTEMBER 2012

LinQ Resources Fund

ARSN 108 168 190

How to complete the Initial Redemption Offer Form

The instructions below are cross-referenced to the relevant section on the Initial Redemption Offer Form. Defined terms have the same meaning as in the Explanatory Memorandum.

Please complete the form using black ink only.

A	This is the total number of Units registered in your name as at 9 August 2012. You are only entitled to participate in the Initial Redemption Offer in relation to the Units you held on that date. If you wish to participate in the Initial Redemption Offer, you can request that some or all of these Units to be redeemed (by following the instructions set out below).										
B	You need to indicate the number of Units in Box B that you request to be redeemed and write the total in Box B. Note that the number of Units in Box B must not be more than the number of Units in Box A. If you do not complete Box B correctly, your Initial Redemption Offer Form will be rejected.										
C	Please provide your contact details in case we need to speak to you about your Initial Redemption Offer Form.										
D	You must sign this form in Box D. By signing and returning this Initial Redemption Offer Form, you acknowledge that you have read and understood the Explanatory Memorandum and agree to, and request that your Units are redeemed on, the terms and conditions set out in the Explanatory Memorandum and the 'Acknowledgements by Unitholders' section below. If this Initial Redemption Offer Form is not validly completed or executed your Units will not be redeemed. <table><tr><td>Individual holders</td><td>Where a holding is in one name, the registered Unitholder must sign.</td></tr><tr><td>Joint holders</td><td>All Unitholders must sign.</td></tr><tr><td>Under Power of Attorney</td><td>If not already noted by the Registry, an originally certified copy of the power of attorney must be sent to the Registry. Where this form is signed under power of attorney, the attorney declares that the attorney has no notice of revocation of the power or the death of the donor of the power.</td></tr><tr><td>Deceased Estate</td><td>All executors should sign and, if not already noted by the Registry, send an originally certified copy of probate or letters of administration to the Registry.</td></tr><tr><td>Company</td><td>This form must be signed by 2 directors, a director and company secretary or, in the case of a company with a sole director who is also the sole company secretary, the sole director.</td></tr></table>	Individual holders	Where a holding is in one name, the registered Unitholder must sign.	Joint holders	All Unitholders must sign.	Under Power of Attorney	If not already noted by the Registry, an originally certified copy of the power of attorney must be sent to the Registry. Where this form is signed under power of attorney, the attorney declares that the attorney has no notice of revocation of the power or the death of the donor of the power.	Deceased Estate	All executors should sign and, if not already noted by the Registry, send an originally certified copy of probate or letters of administration to the Registry.	Company	This form must be signed by 2 directors, a director and company secretary or, in the case of a company with a sole director who is also the sole company secretary, the sole director.
Individual holders	Where a holding is in one name, the registered Unitholder must sign.										
Joint holders	All Unitholders must sign.										
Under Power of Attorney	If not already noted by the Registry, an originally certified copy of the power of attorney must be sent to the Registry. Where this form is signed under power of attorney, the attorney declares that the attorney has no notice of revocation of the power or the death of the donor of the power.										
Deceased Estate	All executors should sign and, if not already noted by the Registry, send an originally certified copy of probate or letters of administration to the Registry.										
Company	This form must be signed by 2 directors, a director and company secretary or, in the case of a company with a sole director who is also the sole company secretary, the sole director.										

Payment for Units redeemed

LinQ Capital Limited will dispatch payment for Units redeemed no later than 5 October 2012.

Submitting your Initial Redemption Offer Form

Send your completed and signed Initial Redemption Offer Form so that your Initial Redemption Offer Form is received no later than 10.00am (WST) on Saturday, 15 September 2012, to:

Computershare Investor Services Pty Limited
GPO Box 242
MELBOURNE VIC 3001
AUSTRALIA

Acknowledgements by Unitholders

By completing and returning this Initial Redemption Offer Form:

- | | |
|---|--|
| (a) you acknowledge that you have read and understood the terms and conditions of the Initial Redemption Offer as set out in the Explanatory Memorandum dated 22 August 2012; | Offer given by any person except as contained in the Explanatory Memorandum dated 22 August 2012; |
| (b) your application will be irrevocable and unconditional (and cannot be withdrawn save with the consent of LinQ Capital Limited); | (h) Units redeemed under the Initial Redemption Offer will be cancelled within 10 days of the Meeting. Once those Units have been cancelled, the Unitholders will cease to be Unitholders (in respect of those cancelled Units) and will become creditors of the LinQ Resources Fund with rights to receive the proceeds of the redemption of those Units; |
| (c) you acknowledge that 20% of the LinQ Resources Fund's NTA is available for redemption under the Initial Redemption Offer. You may request that all or some of your Units be redeemed under the offer. You acknowledge that if redemption requests are received for greater than 20% of the Fund's NTA, Unitholder's will be scaled back pro rata to their Unit holding; | (i) if you do not hold Units as custodian or nominee, you confirm that you have continuously and beneficially held the Units you have offered for redemption from the Record Date of 9 August 2012 and intend to remain the beneficial owner until the time the Units are cancelled; |
| (d) you acknowledge that none of LinQ Capital Limited or Computershare Investor Services Pty Limited has provided you with investment advice or financial product advice, and that none of them has any obligation to provide this advice, concerning your decision to apply to participate in the Initial Redemption Offer; | (j) if you hold Units as custodian or nominee, you confirm that the beneficial owner has held the Units tendered continuously and beneficially from the Record Date of 9 August 2012 and intends to remain the beneficial owner until the time the Units are cancelled; |
| (e) if you are an overseas Unitholder, you acknowledge that you have fully observed any applicable legal and regulatory requirements of the relevant jurisdiction in which you and/or the beneficial owner of Units are resident and that the invitation under the Initial Redemption Offer may lawfully be made to you under the laws of that relevant jurisdiction; | (k) LinQ Capital Limited reserves the right to request any information relating to the beneficial owner of Units and to request a statutory declaration under the relevant applicable law. Option arrangements, contracts of difference or similar structures of this nature will not be treated as giving rise to beneficial ownership; and |
| (f) you agree to do any acts and things that are necessary or expedient to complete the redemption of your Units; | (l) LinQ Capital Limited reserves the right to waive strict compliance with the terms and conditions of the Initial Redemption Offer, to amend or vary those terms and conditions and to suspend or, subject to these terms and conditions, terminate the Initial Redemption Offer at any time. Any such amendment, variation, suspension or termination will be binding on all Unitholders even where LinQ Capital Limited does not notify one or more Unitholders of that event. |
| (g) you acknowledge that, except as contained in the Explanatory Memorandum dated 22 August 2012, no person has been authorised to give any information in respect of the LinQ Resources Fund or the Initial Redemption Offer, and you have not relied on any information in respect of the LinQ Resources Fund or the Initial Redemption | |

This Initial Redemption Offer Form relates to the LinQ Resources Fund Initial Redemption Offer set out in the Explanatory Memorandum dated 22 August 2012 and should be read in conjunction with the Explanatory Memorandum.

If you require further information on how to complete this form please contact your professional advisor, or the LinQ Resources Fund Offer enquiry line on 1300 349 458 (within Australia) or + 61 3 9415 4889 (from outside Australia).

INITIAL REDEMPTION OFFER FORMS MUST BE RECEIVED BY THE REGISTRY BY 10.00AM (WST) ON SATURDAY, 15 SEPTEMBER 2012.

