

# HANDINI RESOURCES LIMITED

ABN 40 115 095 264

## NOTICE OF ANNUAL GENERAL MEETING EXPLANATORY STATEMENT AND PROXY FORM

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**TIME:** 10.00 am (WST)  
**DATE:** 14 March 2011  
**PLACE:** Wembley Hotel  
344 Cambridge Street  
WEBLEY WA 6014

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9325 3000.***

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**CONTENTS PAGE**

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Notice of Annual General Meeting	3
Explanatory Statement	5
Glossary	8
Annexure A – Nomination of Auditor	9
Proxy Form	10

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**TIME AND PLACE OF MEETING AND HOW TO VOTE**

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**VENUE**

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The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00 am (WST) on 14 March 2011 at:

Wembley Hotel  
344 Cambridge Street  
WEST PERTH WA 6014

**YOUR VOTE IS IMPORTANT**

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The business of the Annual General Meeting affects your shareholding and your vote is important.

**VOTING IN PERSON**

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

**VOTING BY PROXY**

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) by hand delivery or post to the Company's Share Registry at 770 Canning Highway, APPLECROSS WA 6153;
- (b) by facsimile on (+61 8) 9325 3099; or
- (c) by email to the Company at [handiniresources@gmail.com](mailto:handiniresources@gmail.com).

so that it is received not later than 5.00 pm (WST) on 10 March 2011.

**Proxy Forms received later than this time will be invalid.**

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders will be held at 10.00 am (WST) on 14 March 2011 at Wembley Hotel, 344 Cambridge Street, WEMBLEY WA 6014.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5.00 pm (WST) on 10 March 2011.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

### AGENDA

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1. FINANCIAL STATEMENTS AND REPORTS  
To receive and consider the annual financial report of the Company for the financial year ended 30 June 2010 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report..

2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT  
To consider and, if thought fit, to pass the following resolution as a **non-binding resolution**:

*“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2010 be adopted”.*

The vote on this Resolution is advisory only and does not bind the directors of the Company.

3. RESOLUTION 2 – APPOINTMENT OF DIRECTOR - SRI BAGUS GURITNO  
To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purpose of clause 11.11 of the Constitution and for all other purposes, Sri Bagus Guritno, having consented to his nomination as a Director, is appointed as a Director with immediate effect.”*

4. RESOLUTION 3 – APPOINTMENT OF DIRECTOR – FARIS AZMI ABDUL RAHMAN  
To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purpose of clause 11.11 of the Constitution and for all other purposes, having consented to his nomination as a Director, is appointed as a Director with immediate effect.”*

5. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – DATO RAMIAH ANPALAGAN  
To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of with clause 11.3 of the Constitution and for all other purposes, Dato Ramiah Anpalagan, a Director retires by rotation, and being eligible, is re-elected as a Director”.*

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6. RESOLUTION 5 – RE-ELECTION OF DIRECTOR – RATNA HANDINI

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

*“That, for the purpose of clause 11.12 of the Constitution and for all other purposes, Ratna Handini, a Director who was appointed on 3 February 2010, retires, and being eligible, is re-elected as a Director.”*

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7. RESOLUTION 6 – APPOINTMENT OF AUDITOR

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

*“That, for the purposes of section 327B of the Corporations Act and for all other purposes, Stantons International Audit and Consulting Pty Ltd, having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company.”*

**DATED: 7 FEBRUARY 2011**

**BY ORDER OF THE BOARD**



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**FARIS AZMI ABDUL RAHMAN  
COMPANY SECRETARY**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 10.00am (WST) on 14 March 2011 at Wembley Hotel, 344 Cambridge Street, WEMBLEY WA 6014.

The purpose of this Explanatory Statement is to provide information which the directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

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### 1. FINANCIAL STATEMENTS AND REPORTS

Section 317 of the Corporations Act requires the reports of the directors and of the auditors and the Annual Report, including the financial statements to be put before the Annual General Meeting and the Constitution provides for those reports and statements to be received and considered at the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the reports or statements. However, Shareholders will be given the opportunity to raise questions on the reports and the statements at the Annual General Meeting.

The Company's 2010 Annual Report is available at [www.handiniresources.com](http://www.handiniresources.com). Those Shareholders that elected to receive a printed copy of the Annual Report will have received a copy with this Notice of Annual General Meeting.

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### 2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

Section 300A of the Corporations Act sets out the information that should be included in the Remuneration Report. Section 250R(2) of the Corporations Act requires that a resolution that the Remuneration Report be adopted and be put to a vote of Shareholders at the Company's Annual General Meeting. The vote on this resolution is only advisory to the Company and does not bind the Board.

The Remuneration Report is set out in and forms part of the Director's Report within the Annual Report. The Remuneration Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive directors and senior executives of the Company;
- discusses the relationship between such policy and the Company's performance; and
- sets out remuneration details for each director.

Under section 250SA of the Corporations Act, Shareholders will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The Directors consider that the remuneration policies adopted by the Company are appropriately structured to provide rewards that are commensurate with the performance of the Company and the individual. On that basis, the Directors unanimously recommend that Shareholders vote in favour of this Resolution.

Whilst there is no legal requirement to abstain from voting, the Company expects Directors and the senior executives whose remuneration details are disclosed in the report not to vote on this item.

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### 3. RESOLUTION 2 AND 3 – APPOINTMENT OF DIRECTORS

Clause 11.11 of the Constitution allows the Company to elect a person as a Director by resolution passed in general meeting. A Director elected at a general meeting is taken to have been elected with effect immediately after the end of the general meeting unless the resolution by which the Director was appointed or elected specifies a different time.

Resolutions 2 and 3 seek the election of Messrs Sri Bagus Guritno and Faris Azmi Abdul Rahman as Directors with effect from the date of the Meeting.

The following information about the candidates for appointment as Directors has been provided by them and has been accepted and included in this Notice in good faith by the Company. This information has not been verified by the Company and, to the fullest extent permitted by law, the Company disclaims responsibility for this information.

#### **Sri Bagus Guritno**

Sri Bagus Guritno is 43 years old and has a Bachelor degree majoring in Accounting from University of Brawijaya and obtained his Masters at University of Illinois, United States at Urbana-Champaign (master degree) majoring in Policy Economics.

He has been involved in coal mining and has valuable experience in the Indonesian mining industry.

#### **Faris Azmi Abdul Rahman**

Faris Azmi Abdul Rahman is 33 years old and has a Bachelor of Commerce from Bond University in Queensland and is Fellow of CPA Australia. He has several years of work experience, having worked in auditing with Arthur Andersen in Malaysia, in the Securities Issues Department of the Malaysian Securities Commission and in the Corporate Finance Department of a Malaysian securities company. Since 2004 he has spent some time in Indonesia developing coal and other mining interests.

The Board unanimously recommends that Shareholders vote in favour of the appointment of both Mr Sri Bagus Guritno and Faris Azmi Abdul Rahman as Directors.

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#### 4. RESOLUTION 4 – RE-ELECTION OF DATO RAMIAH ANPALAGAN

Clause 11.3 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 11.3 of the Constitution is eligible for re-election.

Dato Ramiah Anpalagan, the Director longest in office since his last election, retires by rotation and seeks re-election.

The Board unanimously recommends that Shareholders vote in favour of the re-election of Dato Ramiah Anpalagan as a Director.

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#### 5. RESOLUTION 5 – RE-ELECTION OF RATNA HANDINI

Clause 11.11 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election.

Ratna Handini will retire in accordance with clause 11.12 of the Constitution and being eligible seeks re-election.

Mrs Handini is the founder and a major Shareholder of the Company having developed the Muara Bungo and Tabalong coal mines in Sumatra and Kalimantan respectively, Indonesia since 2004. She is an entrepreneur and holds degrees in Law and Arts from universities in Indonesia and the United States of America. She has not held any directorships in other publicly listed companies within the last three years.

The Board unanimously recommends that Shareholders vote in favour of the re-election of Ratna Handini as a Director.

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6. RESOLUTION 6 – APPOINTMENT OF AUDITOR

Due to a restructure of Stantons International, Stantons International Pty Ltd, who is the Company's current auditor, has given notice of its intention to resign as auditor of the Company (under section 329(5) of the Corporations Act) subject to receipt of ASIC's consent and Shareholder approval of this Resolution 6 for the appointment of Stantons International Audit and Consulting Pty Ltd as auditor.

Subject to the ASIC consenting to the resignation of Stantons International Pty Ltd, and Stantons International Pty Ltd submitting a resignation to the Company, it is proposed that the Company appoint Stantons International Audit and Consulting Pty Ltd as auditor of the Company.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a Shareholder for Stantons International Audit and Consulting Pty Ltd to be appointed as the Company's auditor. A copy of this nomination is annexed to this Explanatory Statement and marked Annexure A.

Stantons International Audit and Consulting Pty Ltd has given its written consent to act as the Company's auditor, subject to Shareholder approval of this Resolution 6.

If Resolution 6 is passed, the appointment of Stantons International Audit and Consulting Pty Ltd as the Company's auditor, will take effect at the close of the Meeting.

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7. ENQUIRIES

Shareholders are required to contact the Company Secretary on (+ 61 8) 9325 3000 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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**Annual General Meeting** or **Meeting** means the meeting convened by the Notice of Meeting.

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

**Board** means the current board of Directors of the Company.

**Company** means Handini Resources Limited (ABN 40 115 095 264).

**Constitution** means the Company's constitution.

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

**Directors** means the current Directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice of Meeting.

**Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the explanatory statement.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolutions** means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

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

**Shareholder** means the holder of a Share.

**WST** means Western Standard Time as observed in Perth, Western Australia.

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**ANNEXURE A – NOMINATION OF AUDITOR**

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31 January 2011

The Board of Directors  
Handini Resources Limited  
PO Box 8508  
PERTH WA 6849

Dear Sirs

**NOMINATION OF STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD AS  
COMPANY AUDITOR**

Profleet Securities Pty Ltd being a shareholder of Handini Resources Limited, hereby nominate Stanton International Audit and Consulting Pty Ltd of Level 1, 1 Havelock Street, West Perth WA, for appointment as auditor of Handini Resources Limited at its Annual General Meeting.

We consent to the distribution of a copy of this notice of nomination as an annexure to the Notice of Meeting and Explanatory Statement for the Annual General Meeting of Handini Resources Limited as required by section 328B (3) of the Corporations Act 2001.

Signed



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**Ray Handini**  
**Director**

**HANDINI RESOURCES LIMITED**

ABN 40 115 095 264

**PROXY FORM**

**APPOINTMENT OF PROXY  
HANDINI RESOURCES LIMITED**

**ANNUAL GENERAL MEETING**

I/We

[Empty box for name]

of

[Empty box for address]

being a member(s) of Handini Resources Limited and entitled to attend and vote at the Annual General Meeting, hereby

Appoint

[Empty box for proxy name]

Name of proxy

OR

Mark this box if you wish to appoint the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at 10.00am (WST), on 14 March 2011 at Wembley Hotel, 344 Cambridge Street, WEMBLEY WA 6014, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

If the Chair of the Annual General 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 Resolutions 1 to 6 please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 to 6 and that votes cast by the Chair of the Annual General Meeting for Resolutions 1 to 6 other than as proxy holder will be disregarded because of that interest. 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 Resolutions 1 to 6 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 to 6.

**Voting on Business of the Annual General Meeting**

	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
Resolution 1 – Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Appointment of Sri Bagus Guritno	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Appointment of Faris Azmi Abdul Rahman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4– Re-election of Dato Ramiah Anpalagan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Re-election of Ratna Handini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Appointment of Auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will 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

Signature of Member(s): \_\_\_\_\_

Date:

Individual or Member 1

[Empty box for signature]

Sole Director/Company Secretary

Member 2

[Empty box for signature]

Director

Member 3

[Empty box for signature]

Director/Company Secretary

Contact Name: \_\_\_\_\_ Contact Ph (daytime): \_\_\_\_\_

**HANDINI RESOURCES LIMITED**  
**ABN 40 115 095 264**

**Instructions for Completing the Proxy Form**

1. A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.
3. Where a Proxy Form of a corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.
4. Corporate members 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 Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 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 Section 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.

5. Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
6. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) by hand delivery or post to the Company's Share Registry at 770 Canning Highway, APPLECROSS WA 6153;
  - (b) by facsimile on +61 8 9325 3099; or
  - (c) by email to the Company at [handiniresources@gmail.com](mailto:handiniresources@gmail.com).

so that it is received not later than 5.00 pm (WST) on 10 March 2011.

**Proxy forms received later than this time will be invalid.**