

3 July 2013

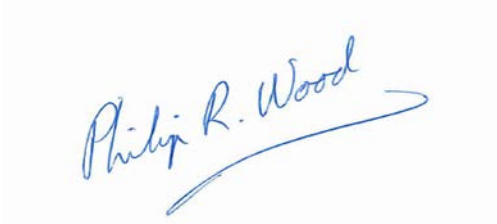
Dear Shareholder

Included with this letter is the Notice of Meeting for the 2013 Annual General Meeting (AGM) for Compass Resources Limited (the Company) and your related Proxy Form. The principal purposes of the AGM are to present the Company's Financial Report, adopt the Remuneration Report and re-elect all of the Directors (except for the Managing Director who is not required to stand for re-election).

The Company did not hold an AGM during 2012 because all of the requisite Annual and Half-Yearly Reports dating back to 31 December 2008 were not lodged until very late in the year. Lodgment of this year's Annual Report has also been delayed in order first to deal with issues affecting the Company continuing as a "going concern" for accounting purposes.

At the conclusion of formal proceedings, I will present an update for shareholders on the Company's activities and I (together with other Board members present) will then be available to answer shareholder questions.

Yours sincerely,



Philip R. Wood
Chief Executive Officer
& Executive Director

NOTICE OF 2013 ANNUAL GENERAL MEETING

Notice is hereby given that the 2013 Annual General Meeting (Meeting) of shareholders of Compass Resources Limited ('Compass' or 'the Company') will be held as follows:

Time: 2:30pm
Date: 5 August 2013
Place: Yangtze Room, Mezzanine Level, Christie Offices
3 Spring Street
Sydney NSW 2000 Australia

This notice should be read in conjunction with the accompanying Explanatory Statement. This notice is accompanied by a proxy form for those shareholders wishing to vote by proxy. Please follow the instructions on the proxy form carefully.

ORDINARY BUSINESS

Presentation of Financial Report (Refer to "Explanatory Statement" in this Notice)

Resolution 1 Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution, as an advisory-only resolution (i.e. non-binding on Directors):

"That the Company's Remuneration Report as set out in the Annual Report for the financial year ended 31 December 2012 be received, approved and adopted."

Voting Exclusion Statement – Resolution 1

In accordance with Section 250R(4) of the Corporations Act, the Company will disregard votes cast on Resolution 1 by a member of the Company's Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member, unless the vote is cast:

- (a) As a proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- (b) By the Chairman of the meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

NOTICE OF 2013 ANNUAL GENERAL MEETING (CONTINUED)

Resolution 2 Election of Director – Mr Mark Angelo

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

“That Mr. Mark Angelo, a Director appointed since November 2011 and retiring in accordance with the Corporations Act 2001 and the Company’s Constitution, and being eligible for re-election, be re-elected a Director of the Company.”

Resolution 3 Election of Director – Mr Gerald Eicke

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

“That Mr. Gerald Eicke, a Director appointed since November 2011 and retiring in accordance with the Corporations Act 2001 and the Company’s Constitution, and being eligible for re-election, be re-elected a Director of the Company.”

Resolution 4 Election of Director – Mr David Gonzalez

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

“That Mr. David Gonzalez, a Director appointed since November 2011 and retiring in accordance with the Corporations Act 2001 and the Company’s Constitution, and being eligible for re-election, be re-elected a Director of the Company.”

Resolution 5 Election of Director – Mr Philip Wood

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

“That Mr. Philip Wood, a Director appointed since June 2012 and retiring in accordance with the Corporations Act 2001 and the Company’s Constitution, and being eligible for re-election, be re-elected a Director of the Company.”

Resolution 6 Election of Director – Mr John Allen

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

“That Mr. John Allen, a Director appointed since June 2012 and retiring in accordance with the Corporations Act 2001 and the Company’s Constitution, and being eligible for re-election, be re-elected a Director of the Company.”

OTHER BUSINESS

To transact any other business, which may be properly brought before the meeting.

Dated: 3 July 2013

By order of the Board



Thomas Bloomfield
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement sets out information in connection with the business to be considered at the 2013 Annual General Meeting ('AGM') of Compass Resources Limited ('Compass' or 'the Company').

ORDINARY BUSINESS

The following items of ordinary business will be considered at the AGM.

Presentation of Financial Report

This item of business relates to the presentation of the Company's Financial Report for the year ended 31 December 2012 together with the related Directors' and Auditor's Reports.

The Corporations Act 2001 (Cth) (**Corporations Act**) requires that the Financial Report, the Directors' Report and Auditors' Report, be laid before the Annual General Meeting. None of the Corporations Act, the Company's Constitution or the ASX Listing Rules requires a vote of shareholders at the Annual General Meeting on such reports or statements. However, shareholders will be given an opportunity to raise questions with respect to these reports and statements at this meeting.

Resolution 1 Adoption of Remuneration Report

The Corporations Act requires that a resolution be put to the members to receive, approve and adopt the Remuneration Report as disclosed in the Directors' Report. The vote on this resolution is advisory only and non-binding. The resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the meeting. Under sections 250U and 250V of the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must stand for re-election.

The Board recommends that shareholders vote in favour of Resolution 1.

Resolution 2 Election of Director – Mr Mark Angelo

Mr Mark Angelo was appointed by the Board as a Non-Executive Director of the Company in November 2011. At the same time he was appointed as the Company's Chairman. Under the Company's Constitution, Mr Angelo retires and, being eligible, wishes to stand for re-election.

The Board (other than Mr Angelo) recommends that shareholders vote in favour of Resolution 2.

Resolution 3 Election of Director – Mr Gerald Eicke

Mr Gerald Eicke was appointed by the Board as a Non-Executive Director of the Company in November 2011. Under the Company's Constitution, Mr Eicke retires and, being eligible, wishes to stand for re-election.

The Board (other than Mr Eicke) recommends that shareholders vote in favour of Resolution 3.

Resolution 4 Election of Director – Mr David Gonzalez

Mr David Gonzalez was appointed by the Board as a Non-Executive Director of the Company in November 2011. Under the Company's Constitution, Mr Gonzalez retires and, being eligible, wishes to stand for re-election.

The Board (other than Mr Gonzalez) recommends that shareholders vote in favour of Resolution 4.

Resolution 5 Election of Director – Mr Philip Wood

Mr Philip Wood was appointed by the Board as a Non-Executive Director of the Company in June 2012. In August 2012, Mr Wood was appointed as Chief Executive Officer and Executive Director. Under the Company's Constitution, Mr Wood retires and, being eligible, wishes to stand for re-election.

The Board (other than Mr Wood) recommends that shareholders vote in favour of Resolution 5.

Resolution 6 Election of Director – Mr John Allen

Mr John Allen was appointed by the Board as a Non-Executive Director of the Company in June 2012. Under the Company's Constitution, Mr Allen retires and, being eligible, wishes to stand for re-election.

The Board (other than Mr Allen) recommends that shareholders vote in favour of Resolution 6.

N.B. Mr James Carr, as Managing Director of the Company, is not required under the Company's Constitution to retire and stand for re-election.

All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

Level 7, 207 Kent Street,
Sydney NSW 2000 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 2:30pm on Saturday 3rd August 2013.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **2:30pm on Saturday 3rd, August 2013.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Level 7, 207 Kent Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Compass Resources Limited** and entitled to attend and vote hereby appoint

☐

Appoint the **Chairman of the Meeting** (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

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 at the Annual General Meeting of the Compass Resources Limited to be held at the **Yangtze Room, Mezzanine Level, Christie Offices, 3 Spring Street, Sydney NSW 2000 on Monday 5th, August 2013 at 2:30pm** and at any adjournment of that meeting, to act 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.

Chairman authorised to exercise undirected proxies on remuneration related resolution: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (Adoption of Remuneration Report) (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected with the remuneration of Key Management Personnel, which includes the Chairman.

The Chairman of the Meeting will vote all undirected proxies in favour of Resolutions 1, 2, 3, 4, 5 and 6. If you wish to appoint the Chairman of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an Item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that Item.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Director – Mr Mark Angelo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Director – Mr Gerald Eicke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Director – Mr David Gonzalez	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Election of Director – Mr Philip Wood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Election of Director – Mr John Allen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2013