



UCL Resources Limited

A.B.N. 40 002 118 872

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Postal Address:
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12 November 2012

Market Announcements Platform
Australian Securities Exchange

Annual General Meeting – 1. Extension; 2. Notice

The Company sought and received approval from the Australian Securities & Investments Commission ("ASIC") to extend the date for holding the Company's 2012 AGM to 13 December 2012. The Company did this because it had commissioned a valuation from an independent expert for including in its Notice of AGM but the expert was unexpectedly taken ill and provision of his report was delayed.

The Company's 2012 Annual General Meeting will be held on 13 December 2012. Please find attached the following documents which have been sent to the Company's shareholders:

1. Notice of Annual General Meeting; and
2. Proxy Form.

Yours faithfully
UCL RESOURCES LIMITED

John Lemon
Company Secretary



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NOTICE OF ANNUAL GENERAL MEETING

Date of Meeting: Thursday, 13 December 2012
Time of Meeting: 2.00 pm (New South Wales Time)
Place of Meeting: The Adelaide Room
Level 2
The Menzies Sydney Hotel
14 Carrington Street
Sydney, NSW 2000
AUSTRALIA

This Notice of Annual General Meeting should be read in its entirety.
If you are in doubt as to how to vote at the meeting you should seek advice
from your accountant, solicitor or other professional adviser before voting.

UCL RESOURCES LIMITED
ABN 40 002 118 872

NOTICE OF ANNUAL GENERAL MEETING

The 2012 Annual General Meeting of UCL Resources Limited ("the Company") will be held in The Adelaide Room, Level 2, The Menzies Sydney Hotel, 14 Carrington Street, Sydney, New South Wales, Australia on Thursday, 13 December 2012 at 2.00 pm (New South Wales time).

The Company's 2012 Annual Report can be accessed via the Company's website at <http://www.uclresources.com.au/index.php?page=15>.

AGENDA

1. CONSIDERATION OF REPORTS

To receive and consider the Financial Report, Directors' Report and Independent Audit Report for the Company and its controlled entities for the financial year ended 30 June 2012.

2. QUESTIONS AND COMMENTS

Shareholders will be given a reasonable opportunity to:

- (i) ask questions about or comment on the management of the Company; and
- (ii) ask the Auditor's representative questions relevant to the Auditor's audit of the Financial Report.

The Auditor's representative will also be given a reasonable opportunity to answer any written questions submitted to the Auditor prior to the Meeting in accordance with the *Corporations Act 2001* (Cth).

3. RESOLUTION 1 – ELECTION OF DIRECTOR – M AL-BARWANI

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

"That Dr Mohammed Al-Barwani, who was appointed a director of the Company by the Directors on 21 May 2012 pursuant to clause 57.1 of the Company's constitution, is elected as a director of the Company with effect from the end of the Meeting."

4. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – I ROSS

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

"That Mr Ian Ross, who retires in accordance with the Company's constitution and being eligible offers himself for re-election, is re-elected a director of the Company."

5. RESOLUTION 3 – RATIFICATION OF ISSUE OF SHARES TO MAWARID MINING LLC

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

"That the issue of 12,121,061 fully paid ordinary shares in the capital of the Company to Mawarid Mining LLC on 15 May 2012 is hereby ratified for the purposes of ASX Listing Rule 7.4 and for all other purposes."

6. RESOLUTION 4 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

To consider and, if thought appropriate, pass the following resolution as a **special resolution**:

"That the company has the additional capacity to issue equity securities up to 10% of the issued capital of the Company under ASX Listing Rule 7.1A calculated in accordance with the formula prescribed in ASX listing rule 7.1A.2 and on the terms and conditions in the Notice of Meeting."

7. RESOLUTION 5 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR C JORDINSON

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

“That for the purposes of ASX Listing Rule 10.14 and for all other purposes the Company is authorised to issue up to 300,000 performance rights to Christopher Terence Jordinson or his nominee on the terms and conditions contained in the Notice of Meeting.”

8. RESOLUTION 6 – ISSUE OF OPTIONS TO DIRECTOR I ROSS

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes the Company is authorised to issue up to 1,125,000 options to subscribe for ordinary shares in the capital of the Company to Ian Wargent Ross or his nominee on the terms and conditions contained in the Notice of Meeting.”

9. RESOLUTION 7 - ISSUE OF OPTIONS TO DIRECTOR G NAKAZIBWE-SEKANDI

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes the Company is authorised to issue up to 750,000 options to subscribe for ordinary shares in the capital of the Company to Gida Nakazibwe-Sekandi or her nominee on the terms and conditions contained in the Notice of Meeting.”

10. RESOLUTION 8 – ISSUE OF OPTIONS TO DIRECTOR S GEMELL

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes the Company is authorised to issue up to 750,000 options to subscribe for ordinary shares in the capital of the Company to Stephen Gemell or his nominee on the terms and conditions contained in the Notice of Meeting.”

11. RESOLUTION 9 – ISSUE OF OPTIONS TO DIRECTOR M AL-BARWANI

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes the Company is authorised to issue up to 750,000 options to subscribe for ordinary shares in the capital of the Company to Dr Mohammed Al-Barwan or his nominee on the terms and conditions contained in the Notice of Meeting.”

12. RESOLUTION 10 - REMUNERATION REPORT ADOPTION

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

“That the Remuneration Report for the year ended 30 June 2012 be adopted.”

**BY ORDER OF THE BOARD
UCL RESOURCES LIMITED**



John Lemon
Company Secretary

12 November 2012

UCL RESOURCES LIMITED
ABN 40 002 118 872

NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY MEMORANDUM

INTRODUCTION

This Explanatory Memorandum forms part of the notice convening the Company's Annual General Meeting to be held on Thursday, 13 December 2012. This Explanatory Memorandum is to assist Shareholders in understanding the background to and implications of the resolutions proposed, and procedural matters concerning the Meeting. Terms used in this Explanatory Memorandum are defined in Section 14.

1. AGENDA ITEM 1 – CONSIDERATION OF REPORTS

- 1.1 The Financial Report, the Directors' Report and the Independent Audit Report for the year ended 30 June 2012 will be presented for consideration.
- 1.2 The abovementioned reports were released by the Company to ASX on 28 September 2012. They can be viewed at the Company's website at:
<http://www.uclresources.com.au/index.php?page=15>.

Shareholders are not required to vote on the reports, however Shareholders will be given a reasonable opportunity to ask questions concerning the reports.

2. AGENDA ITEM 2 – QUESTIONS AND COMMENTS

- 2.1 The chairman of the meeting ("the Chairman") will give Shareholders a reasonable opportunity to ask questions about or make comments on the management of the Company.
- 2.2 A representative of the Company's auditor will attend the Meeting. The Chairman will give Shareholders a reasonable opportunity to ask the Auditor's representative questions relevant to:
 - (i) the conduct of the audit; and
 - (ii) the preparation and content of the Auditor's report; and
 - (iii) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - (iv) the independence of the Auditor in relation to the conduct of the audit.
- 2.3 The Chairman will also give the Auditor's representative a reasonable opportunity to answer written questions submitted to the Auditor in accordance with the *Corporations Act 2001* (Cth). A list of written questions, if any, submitted by Shareholders will be made available at the start of the meeting, and any written answer tabled by the Auditor's representative at the meeting will be made available to Shareholders as soon as practicable after the meeting.
- 2.4 Note:
Pursuant to section 250PA *Corporations Act 2001* (Cwth) a shareholder entitled to vote at the Meeting may submit a written question to the Company's auditor if the question is relevant to:
 - (i) the content of the Auditor's report to be considered at the Annual General Meeting; or
 - (ii) the conduct of the audit of the annual financial report to be considered at the Annual General Meeting.
- 2.5 A shareholder must give the question to the Company (who will pass it on to the Auditor) **no later than Thursday, 6 December 2012**. If you wish to submit a question to the Company's auditor please deliver it, marked "Attention: The Company Secretary, UCL Resources Limited", to the Company either personally or by post or facsimile to the address or facsimile number designated in Section 11.8 of this Explanatory Memorandum. Alternatively, if you are submitting a Proxy Form (see Section 11 of this Explanatory Memorandum) you may send it together with the Proxy Form, provided it is received **by 5.00 pm (AEDST) on Thursday, 6 December 2012**.

3. AGENDA ITEM 3 (RESOLUTION 1) – ELECTION OF DIRECTOR – M AL-BARWANI

- 3.1 Dr Mohammed Al-Barwani was appointed by the Company's directors as a non-executive director of the Company on 21 May 2012 pursuant to clause 57.1 of the Company's constitution which allows the Company's directors to appoint a person to fill a casual vacancy or as an addition to the existing Directors. Under the Company's constitution Dr Al-Barwani will hold office as a director until the end of the Annual General Meeting on 13 December 2012, and may be re-elected as a Director at that meeting.
- 3.2 Dr Al-Barwani is founder and Chairman of MB Holding Company LLC ("MB Holding"). He has a Bachelor's Degree in Science from Miami University, Ohio, USA, and was awarded a Master's Degree and PhD in Petroleum Engineering from Herriott-Watt University, Edinburgh, UK. Dr Al-Barwani worked as a petroleum engineer for Petroleum Development Oman from 1976 to 1986. He founded MB Petroleum Services in 1986, Petrogas in 1999, Mawarid Mining in 1987, and acquired Oceanco in 2010. Today MB Holding is the parent company of a number of companies with wide ranging interests in oilfield services, exploration and production of hydrocarbon, minerals and investments (www.mbholdingco.com). The MB Holding Group has operations in 20 countries, has 6,800 employees and generates annual revenues in excess of US\$1.2 billion. Dr Al-Barwani is also the Chairman of Musstir, a property, hotels and resorts development company.
- 3.3 Dr Al-Barwani is non-executive Chairman of two publicly traded companies, Transgulf Holding and Al Madina Insurance, is a member of the Board of Oman Air (the National airline), and was formerly a member of the Boards of National Bank of Oman (1986-2005), Shell Oman Marketing Company (1987-2005) and Taageer Leasing Company (2001-2006).
- 3.4 Dr Al-Barwani is the Honorary Consul of the Republic of Poland to the Sultanate of Oman. He is a member of Sea-keepers International, a group dedicated to the protection of the Ocean's eco-systems and its environment. He was conferred the grade of "COMMANDEUR" IN DE ORDE VAN ORANGE-NASSAU by Her Majesty the Queen of The Netherlands in January 2012.
- 3.5 The Company's directors (with Dr Al-Barwani abstaining from making a recommendation) recommend that Shareholders vote in favour of Resolution 1.

4. AGENDA ITEM 4 (RESOLUTION 2) – RE-ELECTION OF DIRECTOR – I ROSS

- 4.1 In accordance with the Company's constitution Ian Ross retires by rotation at the end of the annual general meeting on 13 December 2012 and, being eligible, offers himself for re-election as a director of the Company.
- 4.2 Mr Ross has been a director of the Company since 23 June 2005 and the Company's chairman of directors since 3 February 2011. He has over 40 years' experience in international business in Europe, USA, Asia and Australasia. He is an Associate of the Chartered Institute of Bankers and holds a Diploma from the School of Management Studies, Regent Street, London. Mr Ross has worked at the most senior level with a significant number of major Australian companies in resolving sensitive problems and providing financial advice. Mr Ross is also a member of the Company's Remuneration and Nomination Committee.
- 4.3 The Company's directors (with Mr Ross abstaining from making a recommendation) recommend that Shareholders vote in favour of Resolution 2.

5. AGENDA ITEM 5 (RESOLUTION 3) – RATIFICATION OF ISSUE OF SHARES TO MAWARID MINING LLC

- 5.1 Subject to a number of exceptions ASX Listing Rule 7.1 provides that a company must not issue equity securities (shares, options, etc) without shareholder approval if the number of securities issued would, of itself or when added to the number of other equity securities issued by the company in the previous 12 months, exceed 15% of the number of ordinary shares of the company on issue at the commencement of the 12 month period. ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of securities after the fact (provided the issue did not breach the 15% limit) so that the securities which were issued are regarded as having been issued with shareholder approval for the purpose of Listing Rule 7.1.
- 5.2 The Company issued 12,121,061 Shares on 15 May 2012 to Mawarid Mining LLC under a private placement to raise \$3,636,318.30 for working capital. The issue of the shares was within the 15% limit permitted by ASX Listing Rule 7.1, nevertheless the Company is requesting that Shareholders ratify the issue of the shares for the purpose of ASX Listing Rule 7.4.2 so that the Company will have the flexibility to issue further securities under ASX Listing Rule 7.1 as the need or opportunity arises.
- 5.3 As required by ASX Listing Rule 7.5 the following information is provided:
- (i) 12,121,061 shares were issued.
 - (ii) The shares were issued at \$0.30 (30.0 cents) each.
 - (iii) The shares are fully paid ordinary shares and are subject to the same rights and obligations and rank equally with all other shares in the capital of the Company.
 - (iv) The shares were issued to Mawarid Mining LLC.
 - (v) Funds raised from the issue of the shares (\$3,636,318.30) are for working capital generally.
 - (vi) **Voting Exclusion Statement**
As required by the ASX Listing Rules the Company will disregard any votes cast on this resolution by:
 - Mawarid Mining LLC; and
 - an associate (as defined in the ASX Listing Rules) of Mawarid Mining LLC.However, the Company need not disregard a vote if:
 - it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
 - it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
- 5.4 The Company's directors (with Dr Al-Barwani abstaining from making a recommendation as he controls Mawarid Mining LLC through shareholding) recommend that Shareholders vote in favour of Resolution 3.

6. AGENDA ITEM 6 (RESOLUTION 4) – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

- 6.1 Please see Section 5.1 (above) for details of ASX Listing Rule 7.1.
- 6.2 Recent changes to the ASX Listing Rules enable "eligible entities" to issue under Listing Rule 7.1A, in addition to the 15% issue capacity under Listing Rule 7.1, equity securities up to 10% of the company's issued share capital through placements over a 12 month period following the company's annual general meeting provided shareholder approval by way of a special resolution is received at that annual general meeting.

- 6.3 An "eligible entity" for the purposes of ASX Listing Rule 7.1A is an entity that, at the date the requisite special resolution is passed:
- (i) is not included in the S&P/ASX 300 Index; and
 - (ii) has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) equal to less than \$300 million dollars.
- The Company is an eligible entity.
- 6.4 The company is seeking Shareholder approval to have the additional capacity to issue equity securities under Listing Rule 7.1A. The additional capacity (i.e. additional number of equity securities that the Company may issue or agree to issue during the period of the approval) is calculated in accordance with the following formula:

$$(A \times D) - E$$

- A = The number of fully paid ordinary securities on issue 12 months before the date of issue or agreement,
- plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2,
 - plus the number of partly paid ordinary securities that became fully paid in the 12 months,
 - plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under Listing Rule 7.1 or 7.4,
 - less the number of fully paid ordinary securities cancelled in the last 12 months.

D = 10%

E = The number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of ordinary securities under Listing Rule 7.1 or 7.4.

Any equity securities issued under Listing Rule 7.1A.2 must be in an existing quoted class of the Company's equity securities. (As at the date of this Notice the Company has on issue one quoted class of equity securities, namely fully paid ordinary shares.)

- 6.5 As required by ASX Listing Rule 7.3A the following information is provided:
- (i) The minimum price at which the equity securities may be issued for the purposes of Listing Rule 7.1A.3 is 75% of the volume weighted average price for securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before:
 - (a) the date on which the price at which the securities are to be issued is agreed; or
 - (b) if the securities are not issued within 5 trading days of the date in paragraph (a), the date on which the securities are issued.

(Note: If equity securities are issued for non-cash consideration the Company will provide to the market in accordance with the ASX Listing Rules a valuation of the non-cash consideration that demonstrates that the issue price of the securities complies with Listing Rule 7.3A(i))
 - (ii) If equity securities are issued by the Company under Listing Rule 7.1A there is a risk of economic and voting dilution of existing ordinary security holders, including the risk that:
 - (a) the market price for equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
 - (b) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

The following table describes the potential dilution of existing ordinary security holders on the basis of three different issue prices and values for the variable "A" in the formula in Listing Rule 7.1A.2 (set out in Section 6.4 (above)), including an example that assumes that "A" is double the number of ordinary securities on issue at the time of the approval under Listing Rule 7.1A and that the price of equity securities has fallen by at least 50%:

Variable "A" in Listing Rule 7.1A.2		Dilution		
		Issue Price of \$0.0675 (50% of the current market price of the Company's shares)	Issue Price of \$0.135 (the current market price of the Company's shares)	Issue Price of \$0.27 (100% increase in the current market price of the Company's shares)
100,587,730 (current Variable A)	10% Voting Dilution	10,058,773 Shares	10,058,773 Shares	10,058,773 Shares
	Funds raised	\$678,967	\$1,357,934	\$2,715,868
150,881,595 (50% increase in current Variable A)	10% Voting Dilution	15,088,159 Shares	15,088,159 Shares	15,088,159 Shares
	Funds raised	\$1,018,450	\$2,036,901	\$4,073,802
201,175,460 (100% increase in current Variable A)	10% Voting Dilution	20,117,546 Shares	20,117,546 Shares	20,117,546 Shares
	Funds raised	\$1,357,934	\$2,715,868	\$5,431,737

The table has been prepared based on the following assumptions:

1. The Company issues (as Shares) the maximum number of equity securities available under the 10% placement capacity.
2. No unlisted options are exercised into fully paid ordinary shares before the date of the issue of securities under ASX Listing Rule 7.1A. The Company has 333,335 unquoted options on issue at the date of this Notice of Meeting.
3. The table shows only the effect of issues of equity securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
4. The variable "A" number (100,587,730) includes the 12,121,061 shares the subject of Resolution 3 on the assumption that Resolution 3 is passed at the Meeting.
5. The issue price of \$0.135 is the closing price of the Company's shares on ASX on 9 November 2012.

(iii) The date the equity securities may be issued by (assuming Resolution 4 is passed at the Meeting) is the earlier of the following:

- (a) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; and
- (b) the date of the approval by holders of ordinary shares in the Company of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or Listing Rule 11.2 (disposal of the Company's main undertaking).

(The Shareholder approval under Resolution 4 to issue the additional equity securities will cease to be valid in the event that holders of the Company's ordinary shares approve a transaction under Listing Rule 11.1.2 or 11.2).

(iv) The equity securities may be issued by the Company for one or more of the following purposes (although the Company has no proposal to do so as at the date of this Notice):

- (a) to raise capital to fund any one or more of the following:
 - (i) exploration activities;
 - (ii) development activities;
 - (iii) working capital;
 - (iv) acquisition of new resource assets or investments; and

- (b) as non-cash consideration (either wholly or partly) for any one or more of the following:
- (i) the acquisition of goods and/or services;
 - (ii) the acquisition of new resource assets or investments.
- (v) The Company's allocation policy for issues of equity securities pursuant to approval under Resolution 4 will depend on prevailing market conditions and the Company's circumstances at the time of any proposed issue. The identity of the allottees of equity securities will be determined on a case by case basis having regard to any one or more of the following factors:
- (a) the methods of raising funds available to the Company including, but not limited to, rights issue or other issue in which existing security holders can participate;
 - (b) the effect of the issue of the equity securities on the control of the Company;
 - (c) the financial situation of the Company; and
 - (d) advice from any one or more of the Company's professional advisers.

Allottees under the additional placement facility (should the Company elect to use the facility) have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not Related Parties or associates of a Related Party of the Company. In addition, if the Company is successful in acquiring new assets or investments it is possible that allottees under the additional placement facility will be or include vendors of the new assets or investments.

- (vi) The Company has not previously obtained Shareholder approval under Listing Rule 7.1A.

(vii) **Voting Exclusion Statement**

As required by the ASX Listing Rules, the Company will disregard any votes cast on this resolution by:

- a person or entity who may participate in the proposed issue of any additional equity securities and a person or entity who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 4 is passed; and
- an associate (as defined in the ASX Listing Rules) of any such person or entity.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

6.6 Under the ASX Listing Rules Resolution 4 is required to be passed as a special resolution which means that it must be approved by at least 75% of the votes cast by members entitled to vote on the resolution.

6.7 The Company's directors recommend that Shareholders vote in favour of Resolution 4.

7. **AGENDA ITEM 7 (RESOLUTION 5) – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR C JORDINSON**

7.1 The Company's board of directors adopted the UCL Resources Limited Performance Rights Plan ("the Plan") on 25 October 2011 to help attract and retain the services of persons who are viewed as important to the future success of the Company and as a means of rewarding and incentivising the Company's directors, employees and contractors in a cost-effective way which helps to align Directors', employees' and contractors' interests with those of the Company's shareholders. A performance right is a right to be issued a Share upon satisfaction of certain performance conditions.

- 7.2 At the Company's annual general meeting held on 29 November 2011 Shareholders approved the issue of 1,616,668 performance rights under the Plan to Managing Director Chris Jordinson and the 1,616,668 performance rights were subsequently issued to Mr Jordinson.
- 7.3 The Board is cognisant of the fact that:
- (i) the Company is transitioning from a solely mining exploration company to a mining development and production company;
 - (ii) the Company's operations are expanding considerably as the Company makes the transition;
 - (iii) Mr Jordinson is viewed as having played a very significant role in bringing the Company to its present stage of development and as being very important to the future development and success of the Company and therefore should be incentivised and rewarded appropriately; and
 - (iv) any incentivisation and reward should be linked to generation of revenue by the Company.
- 7.4 Accordingly, the Board has decided to recommend to Shareholders that the Company issue a further 300,000 performance rights to Mr Jordinson under the Plan.
- 7.5 ASX Listing Rule 10.14 provides that an ASX-listed company must not permit a director of the company to acquire securities under an employee incentive scheme (such as the Plan) without the approval of the company's shareholders. Performance rights are securities for the purposes of the ASX Listing Rules. The notice of the meeting to obtain shareholders' approval must comply with Listing Rule 10.15A. Therefore, as required by Listing Rule 10.15A, the following information is provided:

- (i) The maximum number of Performance Rights that may be issued to Mr Jordinson is 300,000.
- (ii) There is no monetary consideration payable for the issue of the performance rights. There will also be no monetary or other consideration payable for a Share upon exercise of a performance right.
- (iii) The following persons have received performance rights under the Plan since Shareholder approval was received for the issue of performance rights under the Plan at the Company's annual general meeting on 29 November 2011:

Name	Position	No. of Performance Rights	Acquisition Price
Chris Jordinson	Managing Director	1,616,668	*
Roger Daniel	Chief Operating Officer	808,332	*
"	"	150,000	Nil (on either issue of performance right or per Share upon exercise of a performance right)

* There is no monetary consideration payable for the issue of the Performance Rights. The price payable for a Share upon exercise of a Performance Right is that price which is the 60 days Value Weighted Average Price ("VWAP") of a share of the Company on the ASX immediately prior to the relevant vesting event.

- (iv) The Director entitled to participate in the Plan is Chris Jordinson.
- (v) A loan will not be provided to Mr Jordinson.

- (vi) Details of any securities issued under the Plan will be published in each annual report of the Company relating to a period in which securities have been issued, together with a statement that approval for the issue of securities was obtained under ASX Listing Rule 10.14.
- (vii) Any additional related parties who may become entitled to participate in the Plan after Resolution 5 is approved and who were not named in the Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.
- (viii) The performance rights and any resultant shares will be issued no later than 3 years after the Meeting.
- (ix) **Voting Exclusion Statement**
As required by the ASX Listing Rules the Company will disregard any votes cast by a Director and an associate (as defined in the ASX Listing Rules) of a Director in respect of Resolution 5.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

As required by the Corporations Act a vote must not be cast on Resolution 5 by a member of the Group's Key Management Personnel, or a Closely Related Party of such a person, acting as proxy, if their appointment does not specify the way the proxy is to vote on the Resolution. However, the Company will not disregard any proxy votes cast on Resolution 5 by a member of the Group's Key Management Personnel if that person is the chair of the Meeting acting as proxy and their appointment as proxy expressly authorised the chair to exercise the proxy even though the Resolution is connected with the remuneration of a member of the Group's Key Management Personnel.

7.6 Performance Rights Terms

The material terms of the Performance Rights are:

- (i) no monetary or other consideration is payable by Mr Jordinson upon the issue of the performance rights or upon the issue of a Share upon conversion of a performance right;
- (ii) conversion of any or all of the performance rights to Shares is subject to the vesting condition that first commercial shipment of beneficiated phosphate from the Sandpiper Project has occurred; and
- (iii) otherwise as set out in **Annexure A** to this Notice of Meeting.

Chapter 2E Corporations Act 2001 (Cwth)

- 7.7 Under Chapter 2E *Corporations Act 2001* (Cth) a public company must not give a "financial benefit" to a "related party" without shareholder approval unless an exception applies. ("Related party" includes a director of the public company. The expression "financial benefit" is widely defined and includes the issue of securities in the company.) One of the exceptions is where the benefit is remuneration to a related party as an officer or employee of the company and to give the remuneration would be reasonable given the circumstances of the company and the related party's circumstances (including the responsibilities involved in the office or employment).

- 7.8 In the present case the Company commissioned a valuation of the performance rights proposed to be issued to Mr Jordinson. That valuation is attached as **Annexure B** to this Notice of Meeting. The valuation concludes that the current value of the options proposed to be issued to Mr Jordinson is \$7,291.94. Accordingly the Company's directors consider that the issue of performance rights as remuneration as proposed to Mr Jordinson, the Company's Managing Director, would be reasonable given the Company's circumstances and the circumstances of Mr Jordinson.
- 7.9 Accordingly the Directors consider that the issue of performance rights to Mr Jordinson as proposed would represent reasonable remuneration for the purposes of Chapter 2E Corporations Act and therefore Shareholder approval is not required for the purpose of Chapter 2E Corporations Act.

7.10 Other information

(i) Interest in Securities

Mr Jordinson has an interest in shares in the Company as detailed in the table below. (Mr Jordinson does not otherwise have an interest in equity securities in the Company other than the 1,616,668 performance rights referred to in Sections 7.2 and 7.5(iii) (above).) If all of the performance rights proposed to be granted are exercised and result in the issue of Shares to Mr Jordinson the following will be the effect on his holding in the Company:

No. of Company's Shares in which Mr Jordinson holds Interest	% of Total Shares on Issue ⁽¹⁾	No. of Shares in which Director holds interest if performance rights convert to Shares	% of Total Shares on Issue following issue of Shares upon satisfaction of Performance Rights ⁽²⁾
298,640	0.29	598,640	0.57

(1) "Total Shares on Issue" is 100,587,730 Shares as at the date of this Notice of Meeting. The calculation is based on the assumption that none of the Company's options and performance rights on issue as at the date of this Notice of Meeting are exercised.

(2) This figure is not inclusive of the 1,616,668 performance rights already on issue to Mr Jordinson. If those 1,616,668 performance rights are also converted to Shares the figures in the third and fourth columns of the above table will change to 2,215,308 and 2.16 respectively.

(ii) Current Remuneration

As Managing Director, Mr Jordinson receives an annual salary of \$287,500 as well as Superannuation Guarantee payments of 9% of annual salary. He does not receive directors' fees.

Details of remuneration paid to Mr Jordinson in the year ended 30 June 2012 is as follows:

Short-term		Post-employment	
Base fees/salary	Other	Superannuation	Retirement Benefit
\$	\$	\$	\$
291,732		24,188	-

Note: Base salary included annual leave accrued.

(iii) Dilution

If Shareholders approve the issue of performance rights to Mr Jordinson as proposed and all of the performance rights subsequently give rise to the issue of Shares to Mr Jordinson the effect will be to dilute the shareholding of existing Shareholders by approximately 0.3% based on the number of shares on issue as at the date of this Notice (see the capital structure table in Section 7.10(i) (above)). To the extent that upon the issue of Shares under the Plan the dilutionary impact caused by the issue of Shares will be detrimental to the Company the Company's Directors consider that this is more than offset by the advantages accruing to the Company through the retention of the services of Mr Jordinson on appropriate incentive terms. The Company's Directors also note that Mr Jordinson's ability to receive Shares under the Plan would

depend upon the achievement of a significant milestone which would very likely be associated with an increase in the value of the Company's shares.

(iv) **Valuation of the Performance Rights**

As mentioned in Section 7.8 (above) the Company commissioned a valuation of the performance rights proposed to be issued to Mr Jordinson. That valuation is attached as **Annexure B** to this Notice of Meeting and sets out the valuation methodology and the assumptions upon which the valuation is based.

The valuation does not necessarily represent the market value of the performance rights or the tax values for taxation purposes to the performance rights holder. The future value of the performance rights may be up or down on the values noted in the valuation as it will primarily depend on the future value of a Share, and the time to expiry of the performance rights.

(v) **Taxation Consequences**

The performance rights will vest subject to relevant vesting criteria being met. Under Australian tax law the taxable value of performance rights granted in relation to employment is assessable to the employee unless a deferral applies. The Directors believe that the taxation of the performance rights will be deferred as they have real risk of forfeiture. The granting of the performance rights or any Shares upon exercise of the performance rights does not have a tax impact to the Company.

(vi) **Market Price of the Company's Shares on the ASX**

The highest, lowest and last trading prices of the Company's shares on ASX during the last 12 months are set out below:

	Date	Price(\$)
Highest	19/03/12	0.37
Lowest	30/08/12, 31/08/12, 3-7/09/12	0.12
Last	9/11/12	0.135

7.11 The Company's directors (excepting Mr Jordinson who abstains from making a recommendation) recommend that Shareholders vote in favour of Resolution 5.

8. AGENDA ITEMS 8 - 11 (RESOLUTIONS 6 - 9) – ISSUE OF OPTIONS TO DIRECTORS I ROSS, G NAKAZIBWE-SEKANDI, S GEMELL & M AL-BARWANI

8.1 The Company's board of directors adopted the UCL Resources Limited Employee Share Option Plan ("the ESOP") on 19 October 2007 to help attract and retain the services of persons who are viewed as important to the future success of the Company and as a means of rewarding and incentivising the Company's directors, employees and contractors in a cost-effective way which helps to align Directors', employees' and contractors' interests with those of the Company's shareholders. (Issues of securities under the ESOP have subsequently been approved by Shareholders at the Company's annual general meetings held on 23 November 2007 and 24 November 2010.) (Under the ASX Listing Rules shareholder approval for issue of securities under an employee incentive scheme lasts for three years.)

8.2 Resolutions 6 – 9 seek Shareholder approval for the issue of options under the ESOP to each of the Company's non-executive directors. The Company sought and received Shareholder approval at last year's annual general meeting for the issue of performance rights under the Company's Performance Rights Plan to the Company's non-executive directors. However the Australian Securities and Investments Commission ("ASIC") subsequently determined that it was not open to the Company to issue performance rights to non-executive directors under the Company's Performance Rights Plan. The Company's Board believes that it is important to attract, retain and incentivise non-executive directors through the issue to them of equity-based incentives in the Company in a way that aligns their interests to those of the Company and its shareholders. That aside, the Board also notes that there have been periods in the Company's recent history where due to the Company's lack of funds the Company's directors have foregone payment of monetary

directors' fees and elected to receive shares in the Company (with Shareholder approval) in lieu of monetary fees in order to enable the Company to conserve cash. There may be times in the life of a company, particularly a small mining exploration company, where the Company is dependent on shareholder funding for survival and directors of the Company may face the prospect of not receiving fees for the services provided by them to the Company or receiving some alternative form of compensation to monetary consideration. The Company's directors believe it is fair that this is recognised and directors of the Company be allowed to share in any upside of the Company as well as making sacrifices to support the Company during uncertain periods.

8.3 ASX Listing Rule Requirements

ASX Listing Rule 10.14 provides that an ASX-listed company must not permit a director of the company to acquire securities under an employee incentive scheme without the approval of the company's shareholders. The notice of the meeting to obtain shareholders' approval must comply with Listing Rule 10.15. Therefore, as required by Listing Rule 10.15 the following information is provided:

- (i) The maximum numbers of options that may be issued to Mr Ross, Ms Nakazibwe-Sekandi, Mr Gemell and Dr Al-Barwani are as follows:
 1. Ian Ross – 1,125,000
 2. Gida Nakazibwe-Sekandi – 750,000
 3. Stephen Gemell – 750,000
 4. Dr Mohammed Al-Barwani – 750,000
- (ii) The options will be issued for no cash consideration.
- (iii) Since issues were last approved under the ESOP by Shareholders (at the Company's annual general meeting on 24 November 2010) no securities have been issued under the ESOP.
- (iv) The Directors entitled to participate in the ESOP are Ian Ross, Gida Nakazibwe-Sekandi, Stephen Gemell and Dr Mohammed Al-Barwani.
- (v) No loan will be provided in relation to the issue of the options.
- (vi) The Company will issue the options as soon as practical after the meeting, but in any event not later than 12 months after the date of the Meeting.
- (vii) **Voting Exclusion Statement**
As required by the ASX Listing Rules the Company will disregard any votes cast by a Director and an associate (as defined in the ASX Listing Rules) of a Director in respect of Resolutions 6 - 9 (Agenda items 8 - 11).

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

As required by the Corporations Act a vote must not be cast on any of Resolutions 6 - 9 by a member of the Group's Key Management Personnel, or a Closely Related Party of such a person, acting as proxy, if their appointment does not specify the way the proxy is to vote on the Resolution. However, the Company will not disregard any proxy votes cast on any of Resolutions 6 - 9 by a member of the Group's Key Management Personnel if that person is the chair of the Meeting acting as proxy and their appointment as proxy expressly authorised the chair to exercise the proxy even though the Resolution is connected with the remuneration of a member of the Group's Key Management Personnel.

8.4 Option Terms

The following is a summary of the material terms of the options proposed to be issued to Mr Ross, Ms Nakazibwe-Sekandi, Mr Gemell and Dr Al-Barwani:

- (i) The options are options to subscribe for ordinary shares in the capital of the Company.
- (ii) The options are to be issued for no cash consideration.

- (iii) Shares issued on exercise of the options will rank pari passu with all existing ordinary shares of the Company from the date of issue.
- (iv) The options are exercisable in two tranches, subject to certain exercise conditions, as follows:
- First Tranche Options – 375,000 options in the case of Mr Ross and 250,000 options each in the cases of Ms Nakazibwe-Sekandi, Mr Gemell and Dr Al-Barwani are exercisable at 18 cents (\$0.18) per option; and
 - Second Tranche Options – 750,000 options in the case of Mr Ross and 500,000 options each in the cases of Ms Nakazibwe-Sekandi, Mr Gemell and Dr Al-Barwani are also exercisable at 18 cents (\$0.18) per option.
- (v) The exercise conditions of the options are:
- in respect of the First Tranche Options – completion of Phase 1 (completion of the first ROM ore discharged from the dredge vessel) of the development of the Namibian Sandpiper Phosphate Project and, following that, the Company's closing share price on ASX is not less than \$0.40 (40 cents) for at least five consecutive trading days; and
 - in respect of the Second Tranche Options – the first commercial shipment of beneficiated phosphate from the Namibian Sandpiper Phosphate Project and, following that, the Company's closing share price on ASX is not less than \$0.40 (40 cents) for at least five consecutive trading days.
- (vi) The options may be exercised wholly or in part by notice in writing to the Company received at any time after the occurrence of an exercise condition in respect of the options, together with a cheque for the exercise price multiplied by the number of shares in respect of which options are being exercised.
- (vii) The options will expire either (i) thirty (30) days after the Directors ceasing to be an eligible person under the Plan (a director, employee, contractor, etc.) for any reason other than retirement, permanent disability, redundancy or death, or the Director ceasing to be beneficially entitled to the majority of the voting shares in the Director's permitted nominee company; or (ii) four (4) years after their date of issue, whichever is the earlier.
- (viii) The options will not be quoted on ASX.
- (ix) Upon allotment of shares pursuant to the exercise of options the Company will apply at its cost to have those shares quoted on the official list of ASX.
- (x) Option holders do not participate in dividends unless the options are exercised.
- (xi) Whilst an option holder does not have any participating rights in new issues of securities in the Company during the term of any options held, the option holder shall be afforded a period of at least 14 days before the record date to determine entitlements to the issue, to exercise the options.
- (xii) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
- (xiii) the number of options, the exercise price of the options, or both will be reconstructed (as appropriate) in a manner consistent with the ASX Listing Rules, but with the intention that such reconstruction will not result in any benefits being conferred on the holders of the options which are not conferred on shareholders; and
- (xiv) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the options will remain unchanged.
- (xv) If there is a pro rata issue (except a bonus issue), the exercise price of an option may be reduced according to the following formula:

$$O^n = O - E \frac{[P - (S + D)]}{N + 1}$$

Where:

- O^n = the new exercise price of the option;
- O = the old exercise price of the option;
- E = the number of underlying securities into which one option is exercisable;
- P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;
- S = the subscription price for a security under the pro rata issue;

- D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.
- (xvi) If there is a bonus issue to the holders of shares in the Company the number of Shares over which the option is exercisable may be increased by the number of Shares which the option holder would have received if the option had been exercised before the record date for the bonus issue.
- (xvii) If a takeover bid is made in relation to the Company, a scheme of arrangement proposed in relation to the Company, or a change of shareholding occurs which results in a person or persons being able to alter the majority composition of the Company's board of directors, options on issue under the Plan may be exercised without restriction, subject to compliance with procedural requirements.

Chapter 2E Corporations Act 2001 (Cwth)

- 8.5 Please see Section 7.7 (above) for information about Chapter 2E *Corporations Act 2001* (Cth) and the giving by a company of a "financial benefit" to a "related party" of the company. Each of Ms Nakazibwe-Sekandi, Messrs Ross and Gemell, and Dr Al-Barwani ("the Non-Executive Directors") is a related party of the Company because she/he is a director of the Company.
- 8.6 In the present case the Company commissioned a valuation of the options proposed to be issued to the Non-Executive Directors. That valuation is attached as **Annexure B** to this Notice of Meeting. The valuation concludes that the current value of the options proposed to be issued to the Non-Executive Directors is as follows:

Director	No. of Options	Total Value of Options (\$)
Ian Ross	1,125,000	1,266.32
Gida Nakazibwe-Sekandi	750,000	844.21
Stephen Gemell	750,000	844.21
Mohammed Al-Barwani	750,000	844.21

- 8.7 Accordingly the Company's directors consider that the issue of options as remuneration as proposed to each of the Non-Executive Directors would be reasonable given the Company's circumstances and the circumstances of each of the Non-Executive Directors. Accordingly the Directors consider that the issue of options to each of the Non-Executive Directors as proposed would represent reasonable remuneration for the purposes of Chapter 2E Corporations Act and therefore Shareholder approval is not required for the purpose of Chapter 2E Corporations Act.
- 8.8 In addition, section 213 Corporations Act exempts from the requirement to obtain Shareholder approval under Chapter 2E Corporations Act a financial benefit where the value or amount of the financial benefit is \$5,000 or less in a financial year.

8.9 Other Information

(i) Directors' Interests

Non-Executive directors Ross, Nakazibwe-Sekandi, Gemell and Al-Barwani each has a material personal interest in the outcome of Agenda Items 6, 7, 8 and 9 respectively as it is proposed that options be granted to them (or their respective nominees) as set out in those Agenda items. Of the Non-Executive Directors Mr Ross, Ms Nakazibwe-Sekandi and Dr Al-Barwani have an interest in equity securities (specifically shares) in the Company as detailed in the table below. If all of the options proposed to be granted are exercised and result in the issue of Shares to the Non-Executive Directors the following will be the effect on their holdings in the Company:

Director	No. of Company's Shares in which Director holds Interest	% of Total Shares on Issue ⁽²⁾	No. of Shares in which Director holds interest if options convert to Shares	% of Total Shares on Issue following issue of Shares upon exercise of options
I Ross	252,779	0.25	1,377,779	1.32
G Nakazibwe-Sekandi	7,223	0.01	757,223	0.72
S Gemell	---	---	750,000	0.72
M Al-Barwani	19,698,994 ⁽¹⁾	19.58	20,448,994	19.66
Total	19,958,996	19.84	23,333,996	22.42

(1) The 19,698,994 shares are held by Mawarid Mining LLC. Mawarid Mining LLC is a wholly owned subsidiary company of MB Holding Company and Dr Al-Barwani is the owner of 70% of MB Holding Company.

(2) "Total Shares on Issue" is 100,587,730 Shares as at the date of this Notice of Meeting. The calculation is based on the assumption that none of the Company's options on issue as at the date of this Notice of Meeting and performance rights on issue as at the date of this Notice of Meeting or issued following the Meeting are exercised.

As at the date of this Notice of Meeting none of the Non-Executive Directors has an interest in options over shares in the Company.

(ii) **Current Remuneration**

Non-Executive Chairman Ian Ross receives annual director's fees of \$72,000 per annum as well as Superannuation Guarantee ("SG") payments of 9% of that amount. Gida Nakazibwe-Sekandi, Stephen Gemell and Mohammed Al-Barwani each receive non-executive directors' fees of \$48,000 per annum, and Mr Gemell also receives SG payments of 9% of that amount.

Details of remuneration paid to Mr Ross, Ms Nakazibwe-Sekandi, Mr Gemell and Dr Al-Barwani in the year ended 30 June 2012 are as follows:

	Short-term		Post-employment	
	Base fees/salary	Other ⁽¹⁾	Superannuation	Retirement Benefit
	\$	\$	\$	\$
Ian Ross, Chairman	52,000	52,455	4,680	-
Gida Nakazibwe-Sekandi	40,000	-	-	-
Stephen Gemell ⁽²⁾	30,000	-	2,700	-
Mohammed Al-Barwani ⁽³⁾				
Total	122,000	52,455	7,380	-

Note:

(1) Consultancy fees in addition to director's fees.

(2) Mr Gemell was appointed a Director on 30 September 2011.

(3) Dr Al-Barwani was appointed a Director on 21 May 2012 and received no director's fees in respective of the year ended 30 June 2012.

(iii) **Dilution**

If Shareholders approve the issue of options to the Non-Executive Directors as proposed and all of those options are subsequently exercised and converted to Shares the effect will be to dilute the shareholding of existing Shareholders by approximately 3.25% based on the number of shares on issue as at the date of this Notice (see the capital structure table in Section 8.9 (above)). To the extent that upon the issue of Shares under the Plan the dilutionary impact caused by the issue of Shares will be detrimental to the Company, the Company's Directors consider that this is more than offset by the advantages accruing to the Company through the retention of the services of experienced and skilled directors on appropriate incentive terms. The Company's Directors also note that their ability to ultimately exercise the options proposed to be issued would depend upon the achievement of significant milestones

which would be associated with a very significant increase in the value of the Company's shares.

(iv) **Valuation of the Options**

As mentioned in Section 8.6 (above) the Company commissioned a valuation of the options proposed to be issued to the Non-Executive Directors. That valuation is attached as **Annexure B** to this Notice of Meeting and sets out the valuation methodology and the assumptions upon which the valuation is based.

The valuations do not necessarily represent the market values of the options or the tax values for taxation purposes to the option holder. The future value of the options may be up or down on the values noted in the valuation as it will primarily depend on the future value of a Share, and the time to expiry of the options.

(v) **ASX Best Practice Recommendations**

The Board recognises that the grant of options to non-executive directors Mr Ross, Ms Nakazibwe-Sekandi, Mr Gemell and Dr Al-Barwani is arguably contrary to Recommendation 8.3 of the ASX Corporate Governance Council Corporate Governance Principles and Recommendations. However, each Director recommends in relation to those of the resolutions proposed in agenda Items 8 - 11 in which the Director does not have a material personal interest that Shareholders vote in favour of the resolutions for the reasons set out in Section 8.2 (above). In addition, the Directors note that the issue of equity-linked incentives as part of the remuneration packages of executive and non-executive directors is an established practice of junior public listed companies and provides those companies with a means of conserving cash whilst properly incentivising and rewarding directors. It should be also noted that due to the size of the Company the non-executive Directors play a far more hands on role in the day to day operations of the Company than what is normally expected of non-executive directors. With this in mind the ESOP is specifically designed to incentivise and remunerate non-executive Directors as well as executives.

(vi) **Taxation Consequences**

The options will vest subject to relevant vesting criteria being met. Under Australian tax law the taxable value of options granted in relation to employment is assessable to the employee unless a deferral applies. The Directors believe that the taxation of the options will be deferred as they have real risk of forfeiture. The granting of the options or any Shares upon exercise of the options does not have a tax impact to the Company.

(vii) **Market Price of the Company's Shares on the ASX**

The highest, lowest and last trading prices of the Company's shares on ASX during the last 12 months are set out below:

	Date	Price(\$)
Highest	19/03/12	0.37
Lowest	30/08/12, 31/08/12, 3-7/09/12	0.12
Last	9/11/12	0.135

- 8.10 The Company's directors (excepting each individual Director in the case of the Resolution proposing the issue of options to him or her) recommend that Shareholders vote in favour of Resolutions 6 - 9.

9. AGENDA ITEM 12 (RESOLUTION 10) - REMUNERATION REPORT ADOPTION

- 9.1 The Remuneration Report is contained in the Company's 2012 Annual Report commencing on page 18. The Remuneration Report's contents include:

- (i) an explanation of the Board's policy for remuneration of the Company's Key Management Personnel; and
- (ii) details of remuneration paid to the Company's Key Management Personnel.

- 9.2 Under the *Corporations Act 2001* (Cth) a resolution that the Remuneration Report be adopted must be put to a vote of shareholders at the Company's Annual General Meeting.
- 9.3 The Chairman will give shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.
- 9.4 The vote on the resolution is advisory only and does not bind the Company or the Company's directors. However the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.
- 9.5 Under changes to the *Corporations Act* which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 5 are voted against adoption of the Remuneration Report, and then again at the Company's 2013 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the Company ("spill resolution"). If more than 50% of Shareholders vote in favour of the spill resolution the Company must convene the general meeting ("spill meeting") within 90 days of the Company's 2013 annual general meeting. All of the Directors who were in office when the Company's 2013 Directors' Report was approved, other than the Company's Managing Director, will cease to hold office immediately before the end of the spill meeting but may stand for re-election at the spill meeting. Following the spill meeting those persons whose election or re-election as Directors is approved will be the directors of the Company.

9.6 Voting Exclusion Statement

Section 250R(4) *Corporations Act* provides that a vote must not be cast (in any capacity) on Resolution 10 by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report or a Closely Related Party of such a person. However section 250R(5) *Corporations Act* provides that a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report or a Closely Related Party of such a person (each "the Voter") may cast a vote on Resolution 10 as a proxy if the vote is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report or a Closely Related Party of such a person and either:

- (i) the Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (ii) the Voter is the chair of the meeting and the appointment of the chair as proxy:
 - (a) does not specify the way the proxy is to vote on the resolution; and
 - (b) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

9.7 In accordance with section 250R(8) *Corporations Act* a vote cast in contravention of section 250R(4) *Corporations Act* will not be counted.

9.8 The Company's directors recommend that Shareholders vote in favour of Resolution 10.

10. VOTING RIGHTS

The Board has determined that all of the shares of the Company will be taken, for the purposes of determining the right of shareholders to attend and vote at the Meeting, to be held by the persons who are registered in the Company's register of shareholders at 7.00 pm (AEDST) on 11 December 2012 as the owners of those shares. Therefore transfers registered after that time will be disregarded in determining shareholders entitled to attend and vote at the Meeting.

11. PROXIES

11.1 A Shareholder entitled to attend and vote at the Meeting may appoint:

- (i) one proxy if the Shareholder is only entitled to one vote at the meeting; or
- (ii) one or two proxies if the Shareholder is entitled to more than one vote at the meeting, to attend and vote at the meeting for the Shareholder.

- 11.2 A Shareholder may appoint an individual person or a body corporate as the Shareholder's proxy.
- 11.3 A body corporate appointed as a shareholder's proxy may appoint a representative to exercise any of the powers the body corporate may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been provided to the Company.
- 11.4 A Shareholder who appoints two proxies may state on the Proxy Form what proportion or number of the Shareholder's votes the proxy may exercise. If a Shareholder appoints two proxies and does not specify the number or proportion of votes each proxy may exercise, each of the proxies may exercise half of the Shareholder's votes.
- 11.5 A proxy need not be a shareholder of the Company.
- 11.6 Section 250BB(i) Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and **if it does**:
- (i) the proxy need not vote on a show of hands but if the proxy does so the proxy must vote that way (i.e. as directed); and
 - (ii) if the proxy has 2 or more appointments that specify different ways to vote on the resolution the proxy must not vote on a show of hands; and
 - (iii) if the proxy is the chair of the meeting at which the resolution is voted on the proxy must vote on a poll and must vote that way (i.e. as directed); and
 - (iv) if the proxy is not the chair the proxy need not vote on the poll but if the proxy does so the proxy must vote that way (i.e. as directed).
- 11.7 Section 250BC Corporations Act provides that if:
- (i) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the company's members; and
 - (ii) the appointed proxy is not the chair of the meeting; and
 - (iii) at the meeting, if a poll is duly demanded on the question that the resolution be passed; and
 - (iv) either of the following apply:
 - (a) if a record of attendance is made for the meeting – the proxy is not recorded as attending;
 - (b) the proxy does not vote on the resolution;
- the chair of the meeting is taken, before voting on the resolution closes, to have been appointed the proxy for the purposes of voting on the resolution at that meeting.
- 11.8 A Proxy Form is enclosed. If you wish to appoint a proxy or proxies you must complete the Proxy Form and deliver it to the Company, together with the power of attorney or other authority (if any) under which it is signed (or a certified copy), **by no later than 2.00 pm (AEDST) on Tuesday, 11 December 2012:**
- (i) **by post:**
UCL Resources Limited
GPO Box 1494
Sydney, NSW, 2001, Australia; or
 - (ii) **by delivery:**
UCL Resources Limited
Suite 201, Level 2
Watson House
300 George Street
Sydney, NSW, 2001, Australia; or
 - (iii) **by facsimile:**
+61 2 9233 4749

12. CORPORATE REPRESENTATIVE

A Shareholder which is a body corporate may appoint an individual as the Shareholder's representative to attend and vote at the Meeting. The representative must bring the formal notice of appointment to the meeting, unless it has previously been provided to the Company.

13. OTHER INFORMATION

Queries in relation to the lodgement of proxies or other matters concerning the Annual General Meeting may be directed to the Company Secretary (Telephone: (07) 3832 1329).

14. INTERPRETATION

In this notice of meeting the following expressions have the following meanings:

"ASX" means the Australian Securities Exchange.

"Auditor" means the Company's auditor.

"Board" means the Directors of the Company from time to time, acting as a board.

"Closely Related Party" of a member of the Key Management Personnel of the Group has the meaning ascribed to it in the Corporations Act. (The expression includes, for example, certain of Key Management Personnel's family members, dependents and companies they control.)

"Company" means UCL Resources Limited ABN 40 002 118 872.

"Directors" means the Directors of the Company.

"Group" means the UCL Resources Limited Group of companies comprising the consolidated entity referred to in the Company's 2012 Annual Report.

"Key Management Personnel" means those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

"Meeting" means the Annual General Meeting of Shareholders convened for 13 December 2012 and any adjournment thereof.

"Notice of Meeting" means this notice of meeting.

"Related Party" has the meaning ascribed to it in ASX Listing Rule 19.

"Section" means a section of this Explanatory Memorandum.

"Share" means an ordinary fully paid share in the capital of the Company, and "Shares" has a corresponding meaning.

"Shareholder" means a shareholder of the Company.

ANNEXURE A

UCL RESOURCES LIMITED

NOTICE OF ANNUAL GENERAL MEETING – 13 DECEMBER 2012

RESOLUTION 5 - PERFORMANCE RIGHTS TERMS

Nature of Performance Rights

The grant of Performance Rights to a Participant in the Performance Rights Plan ("Plan") entitles the Participant to be granted an equivalent number of Shares upon vesting of those Performance Rights. A Participant may exercise any vested Performance Right by delivering a signed Exercise Notice to the Company in accordance with the Plan. The Company has also established a trust for the sole purpose of subscribing for or purchasing, delivering and allocating Performance Right Shares under the Plan. Accordingly, any Performance Right Shares will, if so directed by the Board, be purchased and held by the trustee on trust for the Participant in accordance with the terms of the Trust Deed and the Plan Rules. Following a vesting of the Performance Rights, Participants are entitled to issue a notice to the trustee requiring legal title in the Performance Rights Shares to be transferred to the Participant where Performance Shares are so held by the Trustee.

Lapsing of Performance Rights

Performance Rights will lapse upon the Participant ceasing to be an employee or director of a Group Company unless such resulted through no fault of that Participant, in which case, the Performance Rights will lapse six months from the date that Participant ceased to be an employee or director;

Transfer of Performance Rights

A Participant is not entitled to assign, transfer, sell encumber, hedge or otherwise deal with a Performance Right except in accordance with the Trust Deed and the Plan Rules.

Rights attaching to Performance Right Shares

Performance Right Shares will rank pari passu with all existing Shares from the date of allocation and will be entitled in full to those dividends which have a record date for determining entitlements after the date of issue.

Quotation of Performance Right Shares

Performance Rights will not be quoted on the ASX, The Company will make application to the ASX for official quotation of Shares issued on Performance Rights becoming vested Performance Rights as soon as practicable after the Shares are issued to, or acquired by, either the Participant or the trustee, as the case may be.

ANNEXURE B

UCL RESOURCES LIMITED

NOTICE OF ANNUAL GENERAL MEETING - 13 DECEMBER 2012

UCL Resources Limited

Performance Rights and Options-Valuation

Valuation of performance rights and options

October 2012

1 Brief

UCL Resources Limited is proposing to issue some performance rights and options. I, Mark Christensen, have been asked to provide a valuation for the performance rights as at October 2012.

The following discussion details the valuation process and the estimated variables used in the valuation.

2 Performance Rights and Options- Valuation

Performance rights are effectively options that vest upon the occurrence of a future uncertain event. The valuation process is to apply an option valuation methodology to value the rights at the date of the vesting event. A probability factor is then applied to the valued rights to reflect the probability of the vesting event occurring. The probability weighted valued rights are then discounted from the expected vesting date to the current date. The variables that need to be estimated in valuing share options are:

- the current market price at the time of the valuation as a proxy for the expected market price at the time of vesting,
- the strike price or exercise price to be paid in the future (at maturity) for the European type options or for American type options,
- the time to the maturity of the options,
- the risk free rate of return,

- the dividend yield or expected dividends,
- the volatility of the underlying security,
- the probability of the vesting event occurring,
- the date of the vesting event, and
- a discount factor to be applied to the performance rights.

The estimated option variables can be used in either a binomial or Black Scholes model. The Black Scholes model is used in this case to value the European type options. This approach is also appropriate for valuing non dividend paying American type options.

3 Valuation Estimates

The required inputs were calculated for UCL Resources Limited.

3.1 Volatility

The volatility was first estimated using daily rates of return over a one month period ended on 19 October 2012 and then annualised. The annualised one month volatility was 29%. The volatility was estimated for the period December 2011 to October 2012 and annualised. The estimate was 95%. Given such a large range in an estimate for volatility, I used the one month estimate annualised as this would be most reflective of future volatility.

The estimate used was 29%.

3.2 Market Price

I used a share price of \$.14. The options are to be granted in November 2012. As it is impossible to predict future share prices, I relied on the efficient market hypothesis. This hypothesis states that price reflects all known available information and it implies that a change in price is due to some unknown future event.

3.3 Risk Free Rate

A Commonwealth Government bond is the best proxy for a risk free security. The probability of default on AAA rated Australian Government bonds is exceedingly small therefore the yield on Australian Government bonds was

used as the risk free rate. The risk free rate used in the calculation of the rights was 2.55%.

3.4 Dividends

The company has not paid dividends nor is it expected to pay dividends in the near future. The strike price was not adjusted for the payment of dividends.

3.5 Maturity

The maturity date for the rights was one year and for the options, four years.

3.6 Strike Price

The last option valuation issue is the strike price. The strike price or exercise price for the non-executive options is \$.18 and for the additional rights to Mr Chris Jordinson, the strike price is \$0.

3.7 Vesting Event

The probability of each vesting event and their associated joint probabilities needs to be considered. Senior UCL Resource Limited management have provided their estimate of the probability of occurrence and an approximation of when the vesting event will occur if indeed it does occur.

The joint probability of Mr Chris Jordinson being able to exercise his rights is 21%. The exercise price is \$0 and this results in the value of the performance rights being \$7,291.92.

For the non-executive directors, the probability of the first vesting event in quarter 4 2014 is 70%. The probability of the second vesting event in quarter 2 2015 is 70%. The joint probability of the second vesting event is 49% (70% times 70%). Each non-executive option is valued at the vesting date using currently known parameter values.

In addition to meeting the two vesting requirements an additional requirement is for the share price of UCL Resources Limited to be 40 cents for at least five consecutive days. Given the current share price and the volatility of that price, the probability of a share price of 40 cents for five consecutive trading days is estimated to be approximately 5%. The option values are discounted to the present.

The value of each non-executive option is indicated in the table below.

UCL Resources Limited								
Options as at 19/10/2012								
	No of Options	Exercise Price	Expiry Date	Option Value	Joint probability	Performance Requirement	Discounting function	Total
Ian Ross	375,000	\$ 0.14	4 years	\$ 0.0514	70%	5%	83%	\$ 557.18
Gida Nakazibwe_Sekandi	250,000	\$ 0.14	4 years	\$ 0.0514	70%	5%	83%	\$ 371.45
Steve Gemell	250,000	\$ 0.14	4 years	\$ 0.0514	70%	5%	83%	\$ 371.45
Mohammed Al-Barwani	250,000	\$ 0.14	4 years	\$ 0.0514	70%	5%	83%	\$ 371.45
Ian Ross	750,000	\$ 0.14	4 years	\$ 0.0514	49%	5%	75%	\$ 709.14
Gida Nakazibwe_Sekandi	500,000	\$ 0.14	4 years	\$ 0.0514	49%	5%	75%	\$ 472.76
Steve Gemell	500,000	\$ 0.14	4 years	\$ 0.0514	49%	5%	75%	\$ 472.76
Mohammed Al-Barwani	500,000	\$ 0.14	4 years	\$ 0.0514	49%	5%	75%	\$ 472.76
Chris Jordinson	300,000	\$ 0		\$ 0.1157	21%			\$7,291.94

Mark Christensen

BBus, MFM, CPA, Senior Fellow FINSIA

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(GPO Box 1494, Sydney, NSW 2001)
Telephone: (02) 9233 4750
Fax: (02) 9233 4749

PROXY FORM

I/We _____

of _____

being a shareholder/(s) of UCL Resources Limited ("the Company") and entitled to

_____ shares in the Company hereby appoint _____

of _____

or failing him/her _____

of _____

or failing him/her the Chairman as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held in The Adelaide Room, Level 2, Menzies Hotel, 14 Carrington Street, Sydney, New South Wales, Australia on Tuesday, 20 November 2012 at 2.00 pm (New South Wales time) and at any adjournment thereof in respect of _____ of my/our shares or, failing any number being specified, **ALL** of my/our shares in the Company.

If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is []%. (The Company on request will supply an additional proxy form.)

If you wish to indicate how your proxy is to vote, please tick the appropriate boxes below.

Subject to the comments below, if no directions are given the Proxy may vote as the Proxy thinks fit or may abstain. By signing this appointment you acknowledge that the Proxy (whether voting in accordance with your directions or voting in their discretion under an undirected Proxy) may exercise your proxy even if he/she has an interest in the outcome of the resolution and even if votes cast by him/her other than as proxy holder will be disregarded because of that interest. However, if the Proxy you appoint is excluded from voting on a resolution and you do not direct the Proxy how to vote on that resolution, your vote will also be excluded.

The chairman of the meeting (Chairman of Directors, Mr Ian Ross) intends to vote undirected proxies in favour of all proposed resolutions, including Resolution 5 ("Issue of performance rights to Director C Jordinson"), Resolutions 6 – 9 (issue of options to non-executive directors) and Resolution 10 ("Remuneration Report Adoption").

If the chairman of the meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of Resolution 5 (issue of performance rights to director C Jordinson) and Resolutions 6, 7, 8 and 9 (issue of options to Directors I Ross, G Nakazibwe-Sekandi, S Gemell and M Al-Barwani respectively) please place a mark in the box to the right. By marking this box you acknowledge that the chairman of the meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 5 – 9 and that votes cast by the chairman of the meeting for those resolutions 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 chairman will not cast your votes on Resolutions 5 - 9 and your votes will not be counted in calculating the required majority if a poll is called on any of Resolutions 5 - 9.

Resolutions 5 – 9 are connected directly or indirectly with the remuneration of a member or members of the Company's Key Management Personnel. By placing a mark in the above box you will also be

authorising the chairman of the meeting to vote in accordance with his voting intentions on Resolutions 5 – 9 even though those Resolutions are connected directly or indirectly with the remuneration of a member or members of the Company's Key Management Personnel. Resolution 10 ("Remuneration Report adoption") is also connected directly or indirectly with the remuneration of members of the Company's Key Management Personnel. Unless you indicate otherwise by ticking the "For", "Against" or "Abstain" box for Resolution 10 (see over page) you will be authorising the chairman of the meeting to vote in accordance with the Chairman's voting intentions on Resolution 10, even though Resolution 10 is connected directly or indirectly with the remuneration of members of the Company's Key Management Personnel.

I/we direct my/our proxy to vote as indicated below:

RESOLUTION	FOR	AGAINST	ABSTAIN
1. Election of Director – M Al-Barwani (Agenda item 3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-Election of Director – I Ross (Agenda item 4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification of issue of shares to Mawarid Mining (Agenda item 5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Additional 10% placement capacity (Agenda item 6)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Issue of performance rights to Director C Jordinson (Agenda item 7)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Issue of options to Director I Ross (Agenda item 8)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Issue of options to Director G Nakazibwe-Sekandi (Agenda item 9)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Issue of options to Director S Gemell (Agenda item 10)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Issue of options to Director M Al-Barwani (Agenda item 11)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Remuneration Report adoption (Agenda item 12)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

As witness my/our hand/s this _____ day of _____ 2012

If a natural person:

SIGNED by _____)
 _____)

If a company:

EXECUTED by _____)
 _____)
 in accordance with its _____)
 Constitution _____)

 Director/Sole Director

 Director/Secretary

 Name (Printed)

 Name (Printed)

If by power of attorney:

SIGNED for _____ and _____ on behalf of _____)
 _____ by _____)
 _____ under a Power of Attorney)
 dated _____ and who declares that _____)
 he/she has not received any revocation of such _____)
 Power of Attorney in the presence of : _____)

 Signature of Attorney

 Signature of Witness