

Thursday 17 September 2015 at 12:00 noon (Sydney time)

At the offices of BDO East Coast Partnership, Level 11, No. 1 Margaret Street Sydney

NOTICE IS HEREBY GIVEN that a General Meeting of the Shareholders of Bligh Resources Limited (the "Company") will be held on Thursday 17 September 2015 at 12:00 noon (Sydney time) the offices of BDO East Coast Partnership, Level 11, No. 1 Margaret Street Sydney, New South Wales.

The business to be considered at the meeting is set out below. This Notice of Meeting should be read in conjunction with the accompanying Explanatory Memorandum, which contains information in relation to each of the following items of business. A Proxy Form also accompanies this Notice of Meeting.

ORDINARY BUSINESS

1. Issue of options

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

"That, for the purposes of ASX Listing Rules 7.1 and for all other purposes, approval be given to the Company for the issue of 1,500,000 options over ordinary shares exercisable at an exercise price of \$0.026 per share to Quattro Capital Group Pty Ltd on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

The Directors recommend that shareholders **vote in favour** of this resolution.

2. Ratification of a previous issue of shares

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

"That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company for the issue of 3,468,208 fully paid ordinary shares in the Company at an issue price of \$0.0173 per share to Mr Yuan Cheng on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

The Directors recommend that shareholders **vote in favour** of this resolution.

3. Ratification of a previous issue of shares

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

"That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company for the issue of 3,352,601 fully paid ordinary shares in the Company at an issue price of \$0.0173 per share to Mr Yun Sun on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

The Directors recommend that shareholders **vote in favour** of this resolution.

4. Ratification of a previous issue of a convertible note

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

"That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company for the issue of one unsecured Convertible Note over 4,000,000 fully paid ordinary shares with a conversion price of \$0.05 per share for a face value of \$200,000 to Terrain Minerals Limited on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

The Directors recommend that shareholders **vote in favour** of this resolution.

5. Ratification of a previous issue of shares

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

“That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company for the issue of 400,000 fully paid ordinary shares in the Company at an issue price of \$0.05 per share to Terrain Minerals Limited on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”

The Directors recommend that shareholders **vote in favour of this resolution.**

6. Issue of options to Mr Richie Yang

To consider and, if thought fit, to 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 be authorised to issue to Mr Richie Yang 1,000,000 Options to purchase 1,000,000 Shares at an exercise price of \$0.05 per option, as an incentive for Mr Yang’s activities as an Alternate Director and executive of the Company and in lieu of part of his remuneration in that office, such Options to be issued on the terms set out in the Explanatory Memorandum accompanying this Notice.”

The Directors, with Mr Yang abstaining, recommend that shareholders **vote in favour of this resolution.**

7. Issue of options to Mr Eric Zhang

To consider and, if thought fit, to 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 be authorised to issue to Mr Eric Zhang 1,000,000 Options to purchase 1,000,000 Shares at an exercise price of \$0.05 per option, as an incentive for Mr Zhang’s activities as a Director and executive of the Company and in lieu of part of his remuneration in that office, such Options to be issued on the terms set out in the Explanatory Memorandum accompanying this Notice.”

The Directors, with Mr Eric Zhang abstaining, recommend that shareholders **vote in favour of this resolution.**

8. Issue of options to Mr Peiqi Zhang

To consider and, if thought fit, to 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 be authorised to issue to Mr Peiqi Zhang 2,000,000 Options to purchase 2,000,000 Shares at an exercise price of \$0.05 per option, as an incentive for Mr Zhang’s activities as a Non Executive Director and in lieu of his remuneration in that office to the end of 2015 and for remuneration owing at the date of the meeting, such Options to be issued on the terms set out in the Explanatory Memorandum accompanying this Notice.”

The Directors, with Mr Peiqi Zhang abstaining, recommend that shareholders **vote in favour of this resolution.**

9. Issue of options to Mr Tianbao Wang

To consider and, if thought fit, to 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 be authorised to issue to Mr Tianbao Wang 2,000,000 Options to purchase 2,000,000 Shares at an exercise price of \$0.05 per option, as an incentive for Mr Wang’s activities as a Non Executive Director and in lieu of his remuneration in that office to the end of 2015 and for remuneration owing at the date of the meeting, such Options to be issued on the terms set out in the Explanatory Memorandum accompanying this Notice.”

The Directors, with Mr Wang abstaining, recommend that shareholders **vote in favour of this resolution.**

10. Issue of Performance Rights to Mr Richie Yang

To consider and, if thought fit, to 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 be authorised to issue to Mr Richie Yang 1,250,000 Performance Rights, as an incentive for Mr Yang’s activities as an Alternate Director and executive of the Company, such Performance Rights to be issued on the terms set out in the Explanatory Memorandum accompanying this Notice.”

The Directors, with Mr Yang abstaining, recommend that shareholders **vote in favour of this resolution.**

11. Issue of Performance Rights to Mr Eric Zhang

To consider and, if thought fit, to 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 be authorised to issue to Mr Eric Zhang 1,250,000 Performance Rights, as an incentive for Mr Zhang’s activities as a Director and executive of the Company, such Performance Rights to be issued on the terms set out in the Explanatory Memorandum accompanying this Notice.”

The Directors, with Mr Eric Zhang abstaining, recommend that shareholders **vote in favour of this resolution.**

VOTING EXCLUSION STATEMENT

Item 1

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on the resolution proposed at Item 1 by Quattro Capital Group Pty Ltd. However, the Company need not disregard any vote by any such persons on the resolution proposed at Item 1 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by any of them who is 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.

Item 2

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on the resolution proposed at Item 2 by Mr Yuan Cheng. However, the Company need not disregard any vote by any such persons on the resolution proposed at Item 2 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by any of them who is 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.

Item 3

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on the resolution proposed at Item 3 by Mr Yun Sun. However, the Company need not disregard any vote by any such persons on the resolution proposed at Item 3 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by any of them who is 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.

Item 4

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on the resolution proposed at Item 4 by Terrain Minerals Limited. However, the Company need not disregard any vote by any such persons on the resolution proposed at Item 4 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by any of them who is 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.

Item 5

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on the resolution proposed at Item 5 by Terrain Minerals Limited. However, the Company need not disregard any vote by any such persons on the resolution proposed at Item 5 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by any of them who is 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.

Items 6 to 9

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on each of the resolutions proposed at Items 6 to 9 by:

- a person who is to receive the securities the subject of the resolution;
- any person who may receive a benefit if the resolution is passed, except a benefit solely in the capacity as a holder of ordinary securities; and
- an associate of those persons.

Pursuant to the Corporations Act, the Company will disregard any votes cast on each of the resolutions proposed at Items 6 to 9 by:

- a member of the Key Management Personnel* as a proxy for a person who is entitled to vote; and
- a Closely Related Party* (such as close family members and any controlled companies) of a member of Key Management Personnel as a proxy for a person who is entitled to vote.

However, the Company need not disregard any vote by any such persons on the resolutions proposed at Items 6 to 9 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form (for, against, abstain), or it is cast by any of them who is 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 defined in the Corporations Act 2001.

Items 10 to 11

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on each of the resolutions proposed at Items 10 to 11 by:

- any Director of the Company other than a Director who is ineligible to participate in any employee incentive scheme; and
- an associate of those persons.

Pursuant to the Corporations Act, the Company will disregard any votes cast on each of the resolutions proposed at Items 10 to 11 by:

- a member of the Key Management Personnel* as a proxy for a person who is entitled to vote; and
- a Closely Related Party* (such as close family members and any controlled companies) of a member of Key Management Personnel as a proxy for a person who is entitled to vote.

However, the Company need not disregard any vote by any such persons on the resolutions proposed at Item 10 to Item 11 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form (for, against, abstain), or it is cast by any of them who is 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 defined in the Corporations Act 2001.

VOTING ENTITLEMENT

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001*, the Board has determined that, for the purposes of the General Meeting, shares will be taken to be held by the persons who are registered holders at close of business (7:00 pm Sydney time) on 15 September 2015. Only those persons will be entitled to vote at the General Meeting on 17 September 2015.

ADMISSION TO MEETING

Corporate representatives are required to provide appropriate evidence of appointment as a representative in accordance with the constitution of the represented company at least 48 hours before the commencement of the General Meeting. To be effective this evidence of appointment must be received by the Company's share registry (Link Market Services) **no later than 48 hours before the commencement of the General Meeting, that is no later than 12:00 noon (Sydney time) on 15 September 2015.**

Any evidence of appointment received after that time may not be valid for the scheduled meeting. Attorneys are requested to bring the original or certified copy of the power of attorney pursuant to which they were appointed.

Proof of identity will also be required for corporate representatives and attorneys.

PROXIES

Votes at the General Meeting may be given personally or by proxy, attorney or representative;

- Each Shareholder has a right to appoint one or two proxies.
- A proxy need not be a Shareholder of the Company.
- Documents executed by Shareholders that are companies must be done under common seal or otherwise in accordance with the represented company's constitution and the Corporations Act.
- Where a Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- If a Shareholder appoints two proxies, and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes.
- If a proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on a show of hands.
- A proxy must be signed by the Shareholder or his or her power of attorney who has not received any notice of revocation of the authority.
- Proxies given by companies must be signed in accordance with the represented company's constitution and the Corporations Act.

Notice of General Meeting
17 September 2015



To be effective, proxy forms must be received by the Company's share registry (Link Market Services) **no later than 48 hours before the commencement of the General Meeting, that is no later than 12:00 noon (Sydney time) on 15 September 2015**. Any proxy form received after that time will not be valid for the scheduled meeting.

| Hand Delivery | By Mail | By Facsimile | Online |
|--|--|--|--|
| Bligh Resources Limited Link Market Services Limited 1A Homebush Bay Drive RHODES NSW 2138 | Bligh Resources Limited Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 | Australia: (02) 9287 0309 Overseas: +61 2 9287 0309 | www.linkmarketservices.com.au |

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read "Ian K White", written over a horizontal line.

Ian K White
Company Secretary

14 August 2015

Explanatory Memorandum

These Explanatory Notes set out information in connection with the business to be considered at the General Meeting to be held on 17 September 2015.

ORDINARY BUSINESS

Item 1 – Issue of options

Item 1 seeks that for the purposes of ASX Listing Rules 7.1 and for all other purposes, approval be given to the Company for the issue of 1,500,000 options to acquire ordinary shares in the Company to Quattro Capital Group Pty Ltd (Quattro) as part of their remuneration for organising the recent 2-tranche \$300,000 placement which was completed on 15 June 2013 (the Placement).

The options will be issued as soon as practicable and in any case not later than 3 months after shareholder approval is received. The options will be issued at nil consideration and have an exercise price of \$0.026 per share which is 1.5 times the share issue price at which the Placement was undertaken. The options will expire 2 years after their issue date.

Quattro received a 6% commission on the capital raised, in addition to the options for which shareholder approval is sought.

Further details of the Placement were released to the ASX on 1 May 2015.

Directors recommend that shareholders vote in favour of this resolution.

Item 2 – Ratification of a previous issue of shares

Item 2 seeks that for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company for the issue of 3,468,208 fully paid ordinary shares in the Company at an issue price of \$0.0173 per share to Mr Yuan Cheng.

Mr Yuan Cheng is an investor who took part in the first tranche of the \$300,000 placement which was announced to the market on 1 May 2015.

Funds raised have been, or will be used for a drilling programme at the Company's Bundarra gold project and also for the repayment of the SR Mining Pty Ltd loan due and payable to AGEO Holdings Pty Ltd and Aura Capital Pty Ltd.

These shares were issued on 11 May 2015 under the company's 15% issue capacity under ASX Listing Rule 7.1. Approval of this issue will immediately reinstate this capacity by 3,468,208 shares.

Directors recommend that shareholders vote in favour of this resolution.

Item 3 – Ratification of a previous issue of shares

Item 3 seeks that for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company for the issue of 3,352,601 fully paid ordinary shares in the Company at an issue price of \$0.0173 per to Mr Yun Sun.

Mr Yun Sun is an investor who took part in the first tranche of the \$300,000 placement which was announced to the market on 1 May 2015.

Funds raised have been, or will be used for a drilling programme at the Company's Bundarra gold project and also for the repayment of the SR Mining Pty Ltd loan due and payable to AGEO Holdings Pty Ltd and Aura Capital Pty Ltd.

These shares were issued on 11 May 2015 under the company's 15% issue capacity under ASX Listing Rule 7.1. Approval of this issue will immediately reinstate this capacity by 3,352,601 shares.

Directors recommend that shareholders vote in favour of this resolution.

Item 4 – Ratification of a previous issue of a Convertible Note

Item 4 seeks that for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company for the issue of one unsecured convertible note with a face value of \$200,000 to Terrain Minerals Limited (Terrain).

On 18 November 2014, SR Mining Pty Ltd (SR), a company owned 71.9% by Bligh Resources Limited, defaulted on an obligation to make a Royalty payment of \$600,000 to Terrain. This was announced to the market on 1 May 2015.

In order to preserve its interests in the Bundarra tenements held by SR, and an outstanding amount of \$937,000 owed by SR to the Company, the Company undertook to settle the liability of SR to Terrain by issuing to Terrain:

- A Convertible Note (Note) over 4,000,000 fully paid ordinary shares with a conversion price of \$0.05 share for a face value of \$200,000; and
- 400,000 fully paid ordinary shares in lieu of interest on the Note.

The Note was issued on 28 November 2014, is redeemable from 28 November 2015 and expires on 28 November 2016. Terrain can convert the Note to shares in the Company at any time. Terrain can redeem the Note at any time from 28 November 2015 to 28 November 2016. That part (if any) of the Note that remains unredeemed on the Expiry Date will be redeemed by the Company on this date.

Convertible Notes are Equity Securities under the ASX Listing Rule 12.9 definition and the Note was issued under the Company's 15% issue capacity under ASX Listing Rule 7.1. Approval of this issue will immediately reinstate this capacity by 4,000,000 shares.

Directors recommend that shareholders vote in favour of this resolution.

Item 5 – Ratification of a previous issue of shares

Item 5 seeks that for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company for the issue of 400,000 fully paid ordinary shares in the Company at an issue price of \$0.05 per share to Terrain Minerals Limited (Terrain).

On 18 November 2014, SR Mining Pty Ltd (SR), a company owned 71.9% by Bligh Resources Limited, defaulted on an obligation to make a Royalty payment of \$600,000 to Terrain Minerals Limited. This was announced to the market on 1 May 2015.

In order to preserve its interests in the Bundarra tenements held by SR, and an outstanding amount of \$937,000 owed by SR to the Company, the Company undertook to settle the liability of SR to Terrain by issuing to Terrain:

- A Convertible Note over 4,000,000 fully paid ordinary shares with a conversion price of \$0.05 share for a face value of \$200,000; and
- 400,000 fully paid ordinary shares in lieu of interest on the Convertible Note.

The 400,000 shares were issued on 2 December 14 under the

company's 15% issue capacity under ASX Listing Rule 7.1. Approval of this issue will immediately reinstate this capacity by 400,000 shares.

Directors recommend that shareholders vote in favour of this resolution.

Items 6 to 9 – Issue of Options to Directors

Items 6 to 9 seek approval under Listing Rule 10.11 for the issue of unlisted Options to the Directors (including Mr Richie Yang, an Alternate Director) specified in each resolution. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Each Option is transferable only with the approval of the Company and will entitle the holder to receive one Share per Option on payment of the Exercise Price. The Options are to be issued on the following terms:

| | |
|-----------------------|---|
| Issue Price | Nil |
| Exercise Price | \$0.05 per Option |
| Expiry Date | 2 ½ years from Issue Date |
| Issue Date | Within 1 month of the date of this meeting. |
| Exercise Period | From Issue Date to the Expiry Date |
| Exercise Conditions | Nil |
| Forfeiture Conditions | Nil |

If approved, the Options will be issued to the relevant Director or their nominee.

In the event of a capital reconstruction, the number of Options, the Exercise Price or both will be adjusted to comply with the Listing Rules. In the event of a bonus issue, the number of Shares over which the Option exists or the Exercise price will be adjusted in the manner specified in Listing Rule 6.22.

The issue of the Options will not raise any funds. Funds raised if the Options are exercised will be applied to working capital.

The Options are proposed to be issued in lieu of fees and salary payable to the relevant Directors. Set out in the table below are the fees forsaken by the allottees as consideration for the Options:

| | |
|-----------------|----------|
| Mr Richie Yang | \$20,000 |
| Mr Eric Zhang | \$20,000 |
| Mr Peiqi Zhang | \$40,000 |
| Mr Tianbao Wang | \$40,000 |

Reasonable Remuneration

Section 208(1) of the Corporations Act provides that a public company must not, without the approval of the Company's members, give a financial benefit to a Related Party unless an exception to the prohibition which are set out in Sections 210 to 216 of the Corporations Act apply to the issue. As a Director of the Company, each of the Messrs Zhang, Yang, Zhang and Wang are a Related Parties of the Company for the purposes of section 228(2) Corporations Act and, pursuant to Section 229(3)(e) of the Corporations Act, the issue of the Options each of them will constitute the giving of a financial benefit to them.

The Board considers the grant of the Options to be reasonable remuneration within the meaning of Section 211(1) of the Corporations Act as:

- The incentive represented by the issue of the Options is a cost effective and efficient incentive when compared to other forms of incentive;
- The Options are to be issued in lieu of Directors' fees and salaries that would otherwise be due; and

- The issuing of the Options with an Exercise price at a premium to the current market price of Shares with a short term to the Options provides an incentive to each of the allottees to improve the performance of the Company.

Given this purpose, the Directors do not consider that there is any opportunity cost or benefit foregone to the Company in granting the Options, the subject of Items 6 to 9. Accordingly, shareholder approval is not required under Section 208(1) of the Corporations Act.

Directors, with the relevant Directors abstaining, recommend that shareholders vote in favour of this resolution.

Items 10 to 11 – Issue of Performance Rights

Items 10 to 11 seek approval for the purposes of Listing Rule 10.14 and Section 260C(4) of the Corporations Act in respect of the issue of Performance Rights to Mr Richie Yang and Mr Eric Zhang, respectively. If approval is given under Listing Rule 10.14, approval is not required under Listing Rule 7.1.

The potential issue of Shares (on vesting of the Performance Rights) to Mr Yang and Mr Zhang is intended to align their interests with those of the Company and its Shareholders. The issue of the Performance Rights will provide appropriate incentive to them to maximise the growth of the Company over the short to medium term.

Approval is sought under Listing Rule 10.14 for the grant of 1,250,000 Performance Rights to each of Mr Yang and Mr Eric Zhang on the terms contained in the table below and as generally described in this explanatory memorandum.

| | |
|-----------------------|--|
| Issue Date | Within 12 months of the date of this meeting |
| Performance Condition | <p>Either of:</p> <p>a) The volume weighted average price for Shares traded on the ASX over a consecutive period in which the Shares were traded on 10 days (a day is only counted if the trading on that day meets or exceeds the Company's 12 month average daily trading volume) when multiplied by the number of Shares on issue exceeds \$5,000,000; or</p> <p>b) A transaction with an unrelated third party becomes unconditional under which:</p> <ul style="list-style-type: none"> • The Company merges with or is acquired by another entity through any mechanism and the Company is valued at more than A\$5,000,000 net of liabilities in the transaction; or • The Company disposes of assets, in a single or in multiple transactions, with cumulative total proceeds to the Company (before expenses including tax) of more than A\$5,000,000 in cash or script. <p>c) The Company receives a bidder's statement complying with the Corporations Act from a bona fide third party which if completed (regardless of conditions to the bid) would satisfy the performance condition (b) above.</p> |
| Expiry Date | 12 months of the Issue Date |
| Vesting Date | <p>Immediately, upon satisfaction of the Performance Condition, as determined by the Board, acting reasonably.</p> <p>The Board must test the achievement of the Performance Condition on the day prior to the Expiry Date and within 7 days of a request by the holder of the Performance Right.</p> |

Subject to any restrictions under the Corporations Act, the Performance Rights will vest on the Vesting Date and convert to 1 Share per Performance Right. In the event of a capital reconstruction or bonus issue, the number of Performance Rights or the Shares into which they convert on vesting will be adjusted to ensure that there is no advantage or disadvantage to the holder of the Performance Right as a result of the capital reconstruction or bonus issue, to the extent permitted by the Listing Rules and specified by Listing Rule 6.22, as applicable.

The Performance Rights will be forfeited if the allottee ceases to be employed or engaged under a service contract by, or a director of the Company or a controlled entity due to resignation or termination by the Company for breach prior to the Vesting Date.

The Performance Rights may not be transferred without the consent in writing of the Board of the Company. The Shares issued on vesting may be allotted to a nominee of the holder of the Performance Right.

There is no change to the terms and conditions of Performance Rights or vesting of the Performance Rights as a result of the change of control of the Company (unless the change of control satisfies the Performance Condition).

A simple majority of Shareholders is required to pass this resolution.

ASX Requirements

Specific information required in accordance with Listing Rule 10.15 not otherwise provided in this Explanatory Statement is set out below:

- The Performance Rights to be issued under this resolution will be issued within 12 months of the date of this meeting.
- Shareholders have not previously approved a performance rights plan and no person referred to in Listing Rule 10.14 has participated in a performance rights plan. The Company has not operated any employee incentive plan in the past.
- No other person referred to in Listing Rule 10.14 is eligible to participate in a performance rights plan or to receive performance rights.
- There is no loan in relation to the Performance Rights.
- The Performance Rights will be issued for nil consideration. No amount is payable by the holders of the Performance Rights upon vesting of the Performance Rights. Therefore, no funds will be raised from the issue of the Performance Rights or on the issue of shares on vesting of the Performance Rights.

Corporations Act Approvals

Approval under this Resolution will provide approval under Section 260C(4) of the Corporations Act to permit the Company to provide financial assistance to Mr Yang and Mr Eric Zhang to acquire the Performance Rights and the shares on vesting of the Performance Rights. The financial assistance includes the administrative costs and expenses and the discount to the market price of the shares.

Reasonable Remuneration

Section 208(1) of the Corporations Act provides that a public company must not, without the approval of the Company's members, give a financial benefit to a Related Party unless an exception to the prohibition which are set out in Sections 210 to 216 of the Corporations Act apply to the issue. As Directors of the Company, Mr Yang and Mr Zhang are Related Parties of the Company for the purposes of section 228(2) Corporations Act and, pursuant to Section 229(3)(e) of the Corporations Act, the issue of the Performance Rights and the issue of shares on vesting of the Performance Rights will constitute the giving of a financial benefit to them.

The Board considers the grant of the Performance Rights to be reasonable remuneration within the meaning of Section 211(1) of the Corporations Act as:

- The incentive represented by the issue of the Performance Rights is a cost effective and efficient incentive when compared to other forms of incentive;
- The Performance Rights comprise Mr Yang and Mr Eric Zhang's short-term and long-term incentive;
- The Performance Rights will be forfeited if the allottee ceases as a Director, service provider or employee, in certain circumstances, thereby eliminating any future financial benefit;
- Mr Yang's only other cash remuneration in addition to the Performance Rights and the Options the subject of Item 6 is his monthly directorship and executive service contract of \$6,667 at the date of this Notice of Meeting, to be voluntarily reduced to \$5,000 per month if granted;
- Mr Eric Zhang's only other cash remuneration in addition to the Performance Rights and the Options the subject of Item 7 is his monthly service contract of \$6,667 at the date of this Notice of Meeting, to be voluntarily reduced to \$5,000 per month if granted; and
- The Performance Conditions provides an incentive to Mr Yang and Mr Eric Zhang in their executive roles to improve the performance of the Company. Given this purpose, the Directors consider that there is no opportunity cost or benefit foregone to the Company in granting the Performance Rights, the subject of Items 10 and 11.

Accordingly, shareholder approval is not required under Section 208(1) of the Corporations Act.

Directors, with the relevant Directors abstaining, recommend that shareholders vote in favour of this resolution.

LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Bligh Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **12 noon on Tuesday, 15 September 2015**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

 **ONLINE**
www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a securityholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in 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 voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or 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; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's security registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

PROXY FORM

I/We being a member(s) of Bligh Resources Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

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 you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **12 noon on Thursday, 17 September 2015 at Offices of BDO East Coast Partnership, Level 11, No. 1 Margaret Street, Sydney, New South Wales** (the Meeting) and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

| | For | Against | Abstain* | | For | Against | Abstain* |
|--|--------------------------|--------------------------|--------------------------|--|--------------------------|--------------------------|--------------------------|
| 1 Issue of Options to Quattro Capital Group Pty Ltd | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 9 Issue of options to Mr Tianbao Wang | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Ratification of previous issue of shares to Mr Yuan Cheng | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 10 Issue of Performance Rights to Mr Richie Yang | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Ratification of previous issue of shares to Mr Yun Sun | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 11 Issue of Performance Rights to Mr Eric Zhang | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Ratification of previous issue of a convertible note to Terrain Minerals Limited | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 5 Ratification of previous issue of shares to Terrain Minerals Limited | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 6 Issue of options to Mr Richie Yang | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 7 Issue of options to Mr Eric Zhang | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 8 Issue of options to Mr Peiqi Zhang | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |



* 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 votes will not be counted in computing the required majority on a poll.

STEP 2

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Joint Securityholder 2 (Individual)

Joint Securityholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

STEP 3

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

