
PROSPERITY RESOURCES LIMITED

ACN 103 280 235

NOTICE OF ANNUAL GENERAL MEETING

TIME: 9.30 am (WST)

DATE: Thursday, 12 November 2009

PLACE: State Tennis Centre
Victoria Park Drive
Burswood
Western Australia

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Garry Taylor, on (+61 8) 9328 5600 or e-mail garry.taylor@prosperity.net.au

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 9.30 am (WST) on Thursday, 12 November 2009 at:

State Tennis Centre, Victoria Park Drive, Burswood, Perth, Western Australia.

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

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

VOTING BY PROXY

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

- (a) post to Prosperity Resources Limited, 100 Parry Street, Perth, Western Australia 6000;
or
- (b) facsimile to the Company on facsimile number (+61 8) 9322 9485,

so that it is received not later than 9.30 am (WST) on 10 November 2009.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 9:30 am (WST) on 12 November 2009 at the State Tennis Centre, Victoria Park Drive, Burswood, Western Australia.

AGENDA

ORDINARY BUSINESS

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2009 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2009.”

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – SEBASTIAN HEMPEL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 11.3 of the Constitution and for all other purposes, Sebastian Hempel, a Director who retires by rotation, and being eligible, is re-elected as a Director.”

RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT OPTIONS TO TAI XI

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 10,000,000 Placement Options to Inner Mongolia Tai Xi Mei Group Co Ltd pursuant to a Subscription Agreement dated 11 December 2008, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by Inner Mongolia Tai Xi Mei Group Co Ltd and any of its associates. 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 if 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.

RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT OPTIONS TO PT DANA MITRA UTAMA

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 10,000,000 Placement Options to PT Dana Mitra Utama pursuant to a Subscription Agreement dated 17 December 2008, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by PT Dana Mitra Utama and any of its associates. 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 if 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.

RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES TO SINO CHINA TRADING LTD

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 2,000,000 Shares to Sino China Trading Ltd, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by Sino China Trading Ltd and any of its associates. 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 if 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.

RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 8,700,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a 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.

RESOLUTION 7 – ISSUE OF SHARES TO MOHAMMED MUNSHI

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

“That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, Shareholders approve the allotment and issue of 4,650,000 Shares to Mo Munshi (or his nominee) and otherwise on the terms of the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mohammed Munshi or his nominee and any of his associates, a person who might obtain a benefit, except a benefit solely in the capacity of a holder or ordinary securities, and any associates of those persons. 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 if 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.

RESOLUTION 8 – ISSUE OF SHARES AND OPTIONS TO RESOURCE GLOBAL FINANCE LTD PURSUANT TO A LOAN AGREEMENT DATED 14 OCTOBER 2008 AND A DEED OF VARIATION DATED 16 JUNE 2009

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the allotment and issue of 2,000,000 Repayment Shares pursuant to a Loan Agreement dated 14 October 2008 and 5,000,000 Repayment Options pursuant to a Deed of Variation dated 16 June 2009, to Resource Global Finance Ltd, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by Resource Global Finance Ltd and any of its associates. 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 if 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.

RESOLUTION 9 – ISSUE OF SHARES AND OPTIONS TO RESOURCE GLOBAL FINANCE LTD PURSUANT TO A LOAN AGREEMENT DATED 16 JUNE 2009

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the allotment and issue of 5,000,000 1st Tranche Loan Shares, 10,000,000 1st Tranche Loan Options and 5,000,000 2nd Tranche Loan Shares to Resource Global Finance Ltd pursuant to a Loan Agreement dated 16 June 2009, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by Resource Global Finance Ltd and any of its associates. 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 if 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.

RESOLUTION 10 – ISSUE OF SHARES TO RAISE UP TO \$10,000,000

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue, within 3 months of the date of this Resolution, of up to \$10,000,000 in fully paid ordinary Shares at an issue price of not less than 80% of the volume-weighted average Share price of all on-market trades of the Company’s Shares on ASX in the 5 ASX trading days immediately preceding the placement, to persons to whom disclosure is not required under Part 6D.2 of the Corporations Act 2001.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any of their associates. 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 if 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.

DATED: 18 SEPTEMBER 2009

BY ORDER OF THE BOARD

**GARRY TAYLOR
COMPANY SECRETARY**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 9.30 am (WST) on 12 November 2009 at the State Tennis Centre, Victoria Park Drive, Burswood, Western Australia.

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

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2009 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at www.prosperity.net.au.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the Shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2009.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – SEBASTIAN HEMPEL

Clause 11.3 of the Constitution requires that if the Company has three or more Directors, one third (or the number nearest one-third) of those Directors must retire at each annual general meeting, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

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

Sebastian Hempel retires by rotation and seeks re-election.

RESOLUTIONS 3 & 4 – ISSUE OF PLACEMENT OPTIONS TO TAI XI AND PT DANA MITRA UTAMA

Overview

On 23 December 2008, the Company announced that it had entered into separate subscription agreements with Inner Mongolia Tai Xi Mei Group Co Ltd (**Tai Xi**) and PT Dana Mitra Utama (a company duly established and existing under the laws of the Republic of Indonesia) (**PT Dana**), pursuant to which the Company agreed to allot and issue 10,000,000 Shares at an issue price of 5 cents each (with one free **Placement Option** attaching to each Share allotted and issued) to each of Tai Xi and PT Dana for a total consideration of \$1,000,000 (**Subscription Agreements**).

Shareholders approved the allotment and issue of Shares and Placement Options at the 6 March 2009 General Meeting of the Company.

The attaching free Placement Options lapsed unexercised on 30 June 2009 (**Lapsed Placement Options**). Resolutions 3 and 4 seek Shareholder ratification of the reissue of 10,000,000 free attaching Placement Options to each of Tai Xi and PT Dana under ASX Listing Rule 7.4, in replacement of the Lapsed Placement Options.

Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratifications:

- (a) Pursuant to the Subscription Agreements summarised in Section 1.1 above, the Company has agreed to issue and allot 10,000,000 Placement Options to each of Tai Xi and PT Dana.
- (b) Resolutions 3 and 4 seek Shareholder approval for the allotment and issue of 20,000,000 Placement Options to Tai Xi and PT Dana.
- (c) Neither Tai Xi nor PT Dana are related parties of the Company
- (d) the Placement Options were issued for nil consideration as they are free attaching to the Shares issued pursuant to the Subscription Agreements.

RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES TO SINO CHINA TRADING LTD

The Directors resolved to issue 2,000,000 Shares, escrowed for 12 months from date of issue to Sino China Trading Ltd, in recognition of introductions made on behalf of the Company to Mr Jopie Widjaja.

This introduction led to the Cooperation Agreement between PT Dana Mitra Utama and Prosperity Resources Limited.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratifications:

- (a) The Shares were issued on 3rd August 2009;
- (b) The number of Shares issued is 2,000,000;
- (c) The Shares have been issued for nil consideration as they are in recognition of introductions made on behalf of the Company;
- (d) The issued Shares are fully paid ordinary Shares, ranking equally with the existing issued Shares in the Company;
- (e) Sino China Trading Limited is not a related party.

RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES

This Resolution seeks Shareholder ratification of the following prior issue:

Issue date:	As at the date of this Notice, the Shares have not yet been issued but it is expected that they will have been issued as at the date of the Annual General Meeting. As such, Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.
Number of Shares:	8,700,000
Issue price:	Not less than 80% of the volume-weighted average Share price of all on-market trades of Shares on the ASX in the 5 ASX trading days immediately preceding

	the placement
Terms of the Shares	Fully paid ordinary Shares, ranking equally with the existing issued Shares in the Company
Allottee:	The names of the allottees of the Shares are not known at this time. The Shares will be issued to persons or entities to whom a disclosure document is not required to be provided by virtue of Part 6D.2 of the Corporations Act 2001. No related parties will be allottees
Purpose of the funds raised:	To fund ongoing exploration and for general working capital purposes.

Subject to certain exceptions, Listing Rule 7.1 restricts a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of the company's ordinary securities on issue at the commencement of that period without Shareholder approval.

ASX Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1, those securities will be deemed to have been made with Shareholder approval

By ratifying the issue, the Company will retain the ability to issue equity securities in the future up to the 15% placement capacity set out in Listing Rule 7.1.

RESOLUTION 7 – ISSUE OF SHARES TO MOHAMMED MUNSHI

The Company has agreed to allot and issue 4,650,000 Shares at an issue price of 3 cents per Share to Mohammed Munshi or his nominee as remuneration for services provided by Mr Munshi in his role as Managing Director of the Company (**Munshi Shares**). Mr Munshi is currently owed \$140,000 by the Company for his services as Managing Director for the period commencing on 1 March 2009 and ending on 30 September 2009.

The issue price of Munshi Shares has been calculated as follows:

From	To	PSP VWASP* for the period	No of shares in lieu of \$20,000/month	Notional value of shares
1 March 2009	30 June 2009	2 cents per share	4,032,373	\$80,000
1 July 2009	15 September 2009	10 cents per share	615,504	\$60,000 (to 30 Sep 2009)
Rounding			2,123	
Total			<u>4,650,000</u>	\$140,000

* VWASP = Volume-weighted average share price

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

In addition, ASX Listing Rule 10.11 also requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

The grant of the Munshi Shares to Mr Munshi requires the Company to obtain Shareholder approval because the grant of the Munshi Shares constitutes giving a financial benefit and as a Director, Mr Munshi is a related party of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Munshi Shares to Mr Munshi.

Shareholder approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of the Munshi Shares:

- (a) the related party is Mr Mohammed Munshi and he is a related party by virtue of being a Director;
- (b) the maximum number of Shares (being the nature of the financial benefit being provided) to be issued to Mr Munshi is 4,650,000 Shares at a deemed issue price of 3 cents per Share;
- (c) the Munshi Shares will be issued to Mr Munshi no later than 1 month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Munshi Shares will be issued on one and the same date;
- (d) the Munshi Shares will be issued for nil cash consideration and accordingly no funds will be raised;
- (e) the terms and conditions of the Shares rank pari passu in all respects with all other Shares;
- (f) the relevant interests of Mr Munshi in securities of the Company are set out below;¹

Related Party	Shares	Options
Mr Munshi	5,000,000	10,000,000 ²

Notes:

¹ This table does not take into account the securities to be issued to Mr Munshi if Resolution 7 is approved by Shareholders.

² 2,000,000 Options exercisable at 5 cents each on or before 28 February 2010, 2,000,000 Options exercisable at 10 cents each on or before 28 February 2011, 1,000,000 Options exercisable at 15 cents each on or before 28 February 2012, 2,000,000 Options exercisable at 12 cents each on or before 31 March 2012, 1,000,000 Options exercisable at 20 cents each on or before 31 March 2012, 1,000,000 Options exercisable at 30 cents each on or before 31 March 2012 and 1,000,000 Options exercisable at 40 cents each on or before 31 March 2012.

- (g) the remuneration and emoluments from the Company to Mr Munshi for both the current financial year and previous financial year are set out below¹:

Related Party	Current Financial Year	Previous Financial Year
Mr Munshi	\$155,833	\$335,000

Notes:

¹ The amounts in the table above include the deemed value of the Munshi Shares to be issued to Mr Munshi pursuant to Resolution 7 (assuming that Resolution 7 is approved by Shareholders).

- (h) if the Munshi Shares are allotted and issued, the number of Shares on issue will increase from 207,075,373 to 211,725,373 (assuming that no other Options are exercised and no other Shares issued) with the effect that the shareholding of existing Shareholders would be diluted as follows:

Related Party	Issued Shares as at the date of this Notice of Meeting	Shares to be issued pursuant to Resolution 5	Issued Shares upon Issue of Munshi Shares	Dilutionary effect upon issue of Munshi Shares
Mr Munshi	207,075,373	4,650,000	211,725,373	2.25%

- (i) the trading history of the Shares on ASX in the 12 months before the date of this Notice of Annual General Meeting is set out below:

	Price	Date
Highest	16.0 cents	17 September 2009
Lowest	1.5 cents	11 February 2009
Last	16.0 cents	17 September 2009

- (j) the Munshi Shares will be issued for nil consideration as payment in lieu of his remuneration for services he provided to the Company in his role as Managing Director during the previous and current financial years. Based on a deemed issue price of 3 cents per Share, the total value of the Munshi Shares is \$140,000. This amount represents the remuneration currently owed by the Company to Mr Munshi for his services as Managing Director for the period commencing on 1 March 2009 and ending on 30 September 2009. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Munshi Shares upon the terms proposed in lieu of the cash payment currently outstanding;
- (k) Mr Munshi declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 7, recommend that Shareholders vote in favour of this Resolution as being in the best interests of the company by way of preservation of Company cash and better alignment of directors' and company interests. The Board (other than Mr Munshi) is not aware of any other information that would be reasonably required by Shareholders to

allow them to make a decision whether it is in the best interests of the Company to pass the Resolution;

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Munshi Shares to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Director Options to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

RESOLUTION 8 – ISSUE OF SHARES AND OPTIONS TO RESOURCE GLOBAL FINANCE LTD PURSUANT TO A LOAN AGREEMENT DATED 14 OCTOBER 2008 AND A DEED OF VARIATION DATED 16 JUNE 2009

Overview

On 14 October 2008, the Company entered into a loan agreement with Resource Global Finance Limited (**Lender**)(**Loan Agreement**) whereby the Company agreed to issue 2,000,000 Shares (**Repayment Shares**) to the Lender on or before 31 December 2009 (or such other date as agreed between the Company and the Lender), in the event that the Company elected to repay the loan after 30 June 2009.

On 16 June 2009 a Deed of Variation was concluded between the Lender and the Company which varied the Repayment Date to be the earlier of:

- (a) 30 June 2010 (instead of 31 December 2009); and
- (b) 5 Business Days after the date on which the Company receives a notice from the Lender pursuant to the Loan Agreement (**Repayment Date**).

The Deed of Variation also provides for the issue of 5,000,000 unlisted Options (**Repayment Options**), in the event that the Company elects to repay the loan after 31 December 2009. The Options are to be exercisable at 2 cents per Share on or before 30 September 2010:

Resolution 8 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of the Repayment Shares and Repayment Options.

In the event that the Company elects to repay the loan before 31 December 2009, the Company will not issue Repayment Options and Shareholder approval (should the resolution be approved) will lapse.

Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

By approving this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Securities Ratification:

- (a) Subject to the information disclosed in 'Overview' above, the following securities will be issued:
 - (i) 2,000,000 Repayment Shares; and
 - (ii) 5,000,000 Repayment Options;
- (b) it is expected that the Repayment Shares will be allotted and issued to the Lender on or before 31 December 2009, and it is expected that the Repayment Options will be allotted and issued to the Lender on or before 31 January 2010 (or such other date as may be agreed between the Company and the Lender). In any event, the Shares and Options will be issued no later than 3 months after the date of this Annual General Meeting (or such later date as is permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that allotment will occur on one and the same date. No funds will be raised from this issue as the Repayment Shares will be issued in consideration of the Company's election to repay the Loan after 30 June 2009 and 31 December 2009 respectively.

RESOLUTION 9 – ISSUE OF SHARES AND OPTIONS TO RESOURCE GLOBAL FINANCE LTD PURSUANT TO A LOAN AGREEMENT DATED 16 JUNE 2009

Overview

On 16 June 2009, the Company entered into a loan agreement with Resource Global Finance Limited (**Lender**) (**Loan Agreement**) whereby the Company agreed to issue the following securities to the Lender on 1 July 2009 (or such other date as agreed between the Company and the Lender):

- (a) 5,000,000 Shares (**1st Tranche Loan Shares**),
- (b) 10,000,000 Options (**1st Tranche Loan Options**), and
- (c) 5,000,000 Shares (**2nd Tranche Loan Shares**)

(together the **Loan Securities**),

as consideration for the Lender agreeing to advance to the Company a loan for the sum of USD500,000 (**Loan**). The Lender is not a related party of the Company.

It is expected that the Loan Securities will be allotted and issued to the Lender on or before 31 December 2009 (or such other date as may be agreed between the Company and the Lender). In any event, the Loan Securities will be issued no later than 3 months after the date of this Annual General Meeting (or such later date as is permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that allotment will occur on one and the same date. As such, Resolution 9 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of those Loan Securities (**Securities Ratification**).

By approving this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Loan Agreement Summary

In accordance with the Loan Agreement, the Company is restricted to applying the Loan towards the Company's general working capital.

The Loan, which is interest free, is to be repaid by the Company to the Lender by the earlier of:

- (a) 30 June 2010; and
- (b) 5 Business Days after the date on which the Company receives a notice from the Lender pursuant to the Loan Agreement (**Repayment Date**).

For the purpose of securing the Loan, the Company has agreed to provide a second ranking fixed charge over the Company's interest in the cooperation agreement dated 10 September 2008 between the Company and PT Dana Mitra Utama (a company duly established and existing under the laws of the Republic of Indonesia), granted in favour of the Lender on the terms set out in the Loan Agreement.

Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Securities Ratification:

- (a) the following securities will be allotted and issued:
 - (i) 5,000,000 Shares (1st Tranche Loan Shares),
 - (ii) 10,000,000 Options (1st Tranche Loan Options), and
 - (iii) 5,000,000 Shares (2nd Tranche Loan Shares)
- (b) the Loan Securities will be issued to Resource Global Finance Limited for nil cash consideration;
- (c) the 1st Tranche Loan Shares and 2nd Tranche Loan Shares to be issued are all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the 1st Tranche Loan Options will be issued on the terms and conditions set out in Schedule 3;

it is expected that the Loan Securities will be allotted and issued to the Lender on or before 31 December 2009. In any event, the Loan Securities will be issued no later than 3 months after the date of this Annual General Meeting (or such later date as is permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that allotment will occur on one and the same date; and no funds will be raised from this issue as the Loan Securities will be issued in consideration of the Lender providing the Loan. The funds obtained by the Company pursuant to the Loan Agreement will be applied towards general working capital.

RESOLUTION 10 – ISSUE OF SHARES TO RAISE UP TO \$10,000,000

Overview

This Resolution seeks Shareholder approval for the purpose of ASX Listing Rule 7.1 and for all other purposes to authorise the Directors to cause the issue of up to \$10,000,000 in fully paid ordinary Shares in the Company at an issue price of not less than 80% of the volume-weighted average Share price of all on-market trades of Shares on the ASX in the 5 ASX trading days immediately preceding the placement, to persons to whom disclosure is not required under Part 2D.6 of the Corporations Act 2001.

Listing Rule 7.1

Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities in any 12 month period which amounts to more than 15% of its ordinary securities without the approval of holders of its ordinary securities.

Equity securities issued with the approval of holders of a company's ordinary securities in accordance with Listing Rule 7.1 are not then required to be included in the 15% limit imposed by Listing Rule 7.1.

The Directors are of the view that the Company should actively seek out opportunities for acquisition of prospective tenement holdings or other relevant assets and wish to be in a position to fund planned exploration at the Pinang-Pinang Project in Indonesia, fund appropriate acquisitions and provide for working capital. The Company therefore seeks approval, pursuant to Listing Rule 7.1, to issue the Shares.

The following information is provided in accordance with Listing Rule 7.3:

- (a) The maximum number of Shares the Company is to issue under this Resolution will not exceed \$10,000,000 in value;
- (b) The Shares will be issued within 3 months of the date of this Annual General Meeting;
- (c) The issue price for the Shares will be not less than such price per Share detailed in Background above;
- (d) The names of the allottees of the Shares are not known at this time. The Shares will be issued to persons or entities to whom a disclosure document is not required to be provided by virtue of Part 6D.2 of the Corporations Act 2001. No related parties will be allottees;
- (e) The Shares will be issued on the same terms as, and rank equally, with the existing issued Shares in the Company and application will be made for their quotation on ASX;
- (f) The purpose of the proposed placements is to raise additional working capital for the Company and/or to satisfy the consideration for acquisitions by the Company.
- (g) The Company anticipates allotting these Shares progressively throughout the three month period;
- (h) The Company will disregard any votes cast on Resolution 10 by the participants in the Share issue (if the names of any proposed allottees are known as at the date of the Annual General Meeting and they are Shareholders in the Company) or any associate of any of these recipients. However, the Company will not disregard the vote if:
 - (i) it is cast by a person, as proxy for a person who is entitled to vote, in accordance with the directions of the proxy form; or
 - (ii) it is cast by the person chairing the meeting, as proxy for a person who is entitled to vote, in accordance with the directions of the proxy form to vote as the proxy directs.

ENQUIRIES

Shareholders are requested to contact Garry Taylor on (+ 61 8) 9328 5600, or by e-mail to garry.taylor@prosperity.net.au if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

1st Tranche Loan Options means an Option granted pursuant to Resolution 9 with the terms and conditions set out in Schedule 3.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means Prosperity Resources Limited (ACN 103 280 235).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

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

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement Option means an Option granted pursuant to Resolutions 3 and 4 with the terms and conditions set out in Schedule 1.

Repayment Options means an Option granted pursuant to Resolutions 3 and 4 with the terms and conditions set out in Schedule 2.

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

Scheme means the Prosperity Resources Limited Employee Incentive Option Scheme.

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

Shareholder means a holder of a Share.

USD means United States dollars.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF PLACEMENT OPTIONS

The Placement Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Placement Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Placement Option, the Optionholder must exercise the Placement Options in accordance with the terms and conditions of the Placement Options.
 - (b) The Placement Options will vest immediately upon grant and be exercisable at an exercise price of 10 cents each on or before 31 December 2009;
 - (c) The Placement Options will expire at 5.00 pm (WST) on 31 December 2009 as detailed in paragraph (b) above (**Expiry Date**). Any Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
 - (d) The amount payable upon exercise of each Placement Option will be as set out in paragraph (b) above (**Exercise Price**).
 - (e) The Placement Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
 - (f) An Optionholder may exercise their Placement Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Placement Options specifying the number of Placement Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Placement Options being exercised;
- (Exercise Notice).**
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
 - (h) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Placement Options specified in the Exercise Notice.
 - (i) The Placement Options are not transferable.
 - (j) All Shares allotted upon the exercise of Placement Options will upon allotment rank *pari passu* in all respects with other Shares.
 - (k) The Company will not apply for quotation of the Placement Options on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of Placement Options on ASX within 10 Business Days after the date of allotment of those Shares.
 - (l) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
 - (m) There are no participating rights or entitlements inherent in the Placement Options and Optionholders will not be entitled to participate in new issues of capital offered

to Shareholders during the currency of the Placement Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Placement Options prior to the date for determining entitlements to participate in any such issue.

- (n) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Placement Options, the exercise price of the Placement Options may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (o) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issues of the Placement Options, the number of securities over which a Placement Option is exercisable may be increased by the number of securities which the Optionholder would have received if the Placement Option had been exercised before the record date for the bonus issue.

SCHEDULE 2 – TERMS AND CONDITIONS OF REPAYMENT OPTIONS

The Repayment Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Repayment Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Repayment Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Repayment Options.
- (b) The Repayment Options will expire at 5:00pm (WST) on 30 September 2010 (**Expiry Date**). Any Repayment Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Repayment Option will be 2 cents (**Exercise Price**).
- (d) The Repayment Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Repayment Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;

(Exercise Notice)

- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Repayment Options specified in the Exercise Notice.
- (h) The Repayment Options are not transferable.
- (i) All Shares allotted upon the exercise of Repayment Options will upon allotment rank pari passu in all respects with other Shares.
- (j) The Company will not apply for quotation of the Repayment Options on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of Repayment Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Repayment Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Repayment Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced.

This will give Optionholders the opportunity to exercise their Repayment Options prior to the date for determining entitlements to participate in any such issue.

- (m) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Repayment Options, the exercise price of the Repayment Options may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (n) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issues of the Repayment Options, the number of securities over which a Repayment Option is exercisable may be increased by the number of securities which the Optionholder would have received if the Repayment Option had been exercised before the record date for the bonus issue.

SCHEDULE 3 – TERMS AND CONDITIONS OF 1ST TRANCHE LOAN OPTIONS

The 1st Tranche Loan Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each 1st Tranche Loan Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each 1st Tranche Loan Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the 1st Tranche Loan Options.
 - (b) The 1st Tranche Loan Options will expire at 5:00pm (WST) on 30 September 2010 (**Expiry Date**). Any 1st Tranche Loan Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
 - (c) The amount payable upon exercise of each 1st Tranche Loan Option will be 2 cents (**Exercise Price**).
 - (d) The 1st Tranche Loan Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
 - (e) An Optionholder may exercise their 1st Tranche Loan Options by lodging with the Company, before the Expiry Date:
 - (iii) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (iv) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;
- (Exercise Notice)**
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
 - (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of 1st Tranche Loan Options specified in the Exercise Notice.
 - (h) The 1st Tranche Loan Options are not transferable.
 - (i) All Shares allotted upon the exercise of 1st Tranche Loan Options will upon allotment rank pari passu in all respects with other Shares.
 - (j) The Company will not apply for quotation of the 1st Tranche Loan Options on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of 1st Tranche Loan Options on ASX within 10 Business Days after the date of allotment of those Shares.
 - (k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
 - (l) There are no participating rights or entitlements inherent in the 1st Tranche Loan Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the 1st Tranche Loan Options. However, the Company will ensure that for the purposes of determining entitlements

to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their 1st Tranche Loan Options prior to the date for determining entitlements to participate in any such issue.

- (m) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the 1st Tranche Loan Options, the exercise price of the 1st Tranche Loan Options may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (n) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issues of the 1st Tranche Loan Options, the number of securities over which a 1st Tranche Loan Option is exercisable may be increased by the number of securities which the Optionholder would have received if the 1st Tranche Loan Option had been exercised before the record date for the bonus issue.

PROXY FORM

**APPOINTMENT OF PROXY
PROSPERITY RESOURCES LIMITED
ACN 103 280 235**

ANNUAL GENERAL MEETING

I/We
of

being a member of Prosperity Resources Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint
Name of proxy

OR the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at 9.30 am (WST), on 12 November 2009 at the State Tennis Centre, Victoria Park Drive, Burswood, Perth, Western Australia, and at any adjournment thereof.

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

If the Chair of the Annual General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of **Resolutions 1 to 10** please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 to 10 and that votes cast by the Chair of the Annual General Meeting for Resolutions 1 to 10 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolutions 1 to 10 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 to 10.

OR

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Sebastian Hempel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Ratification of prior issue of Placement Options to Tai Xi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Ratification of prior issue of Placement Options to PT Dana Mitra Utama	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Ratification of prior issue of Shares to Sino China Trading Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Ratification of prior issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Issue of Shares to Mohammed Munshi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Issue of Shares and Options to Resource Global Finance Ltd pursuant to a Loan Agreement dated 14 October 2008 and a Deed of Variation dated 16 June 2009	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Issue of Shares and Options to Resource Global Finance Ltd pursuant to a Loan Agreement dated 16 June 2009	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 – Issue of Shares to raise up to \$10,000,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Signature of Member(s):

Date: _____

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

PROSPERITY RESOURCES LIMITED
ACN 103 280 235

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members must sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (c) post to Prosperity Resources Limited, 100 Parry Street, Perth, Western Australia 6000; or
 - (d) facsimile to the Company on facsimile number +61 8 9322 9485,so that it is received not later than 9.30 am (WST) on 10 November 2009.

Proxy forms received later than this time will be invalid.