

**UNIVERSAL RESOURCES LIMITED  
ACN 090 468 018**

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**NOTICE OF ANNUAL GENERAL MEETING**

**PROXY FORM**

**EXPLANATORY MEMORANDUM**

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**Date of Meeting**

26 November 2008

**MEETING**

11.00am (WDT)

**PLACE OF MEETING**

BDO Kendalls  
128 Hay Street  
Subiaco, Western Australia

**This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.**

**UNIVERSAL RESOURCES LIMITED**  
**ACN 090 468 018**

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Shareholders of Universal Resources Limited ACN 090 468 018 ("Company") will be held at 11.00am, on 26 November 2008 at BDO Kendalls, 128 Hay Street, Subiaco, Western Australia, for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

An Explanatory Memorandum containing information in relation to the following Resolutions accompanies this Notice of Annual General Meeting.

**AGENDA**

**BUSINESS**

**Financial Reports**

To receive and consider the financial statements of the Company for the year ended 30 June 2008, together with the Directors Report and the Auditor's Report as set out in the Annual Report.

**Resolution 1 – Non Binding Resolution to adopt Remuneration Report**

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

*"That the Remuneration Report as set out in the Annual Report for the year ended 30 June 2008 be adopted."*

**Note:** The vote on this resolution is advisory only and does not bind the Directors or the Company.

**Resolution 2 - Re-election of Mr Jason Brewer as a Director**

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

*"That, Mr Jason Brewer, who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director."*

**Resolution 3 – Re-election of Mr Bruce Fulton as a Director**

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

*"That, Mr Bruce Fulton, who ceases to hold office in accordance with clause 13.5 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected a Director of the Company."*

#### **Resolution 4 – Re-election of Maurice Hoyle as a Director**

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

*“That, Mr Maurice Hoyle, who ceases to hold office in accordance with clause 13.5 of the Company’s Constitution and, being eligible, offers himself for re-election, be re-elected a Director of the Company.”*

#### **Resolution 5 - 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, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, the Company approve and ratify the issue of 33,800,000 Shares at an issue price of 6.5 cents per share to Tulla Resources Group Limited, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.”*

The Company will disregard any votes cast on Resolution 5 by any person who participated in the issue and any person associated with 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 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, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, the Company approve and ratify the issue of 11,000,000 Shares at an issue price of 6.5 cents per share to persons and on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.”*

The Company will disregard any votes cast on Resolution 6 by any person who participated in the issue and any person associated with 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 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 – Grant of Options to Mr Maurice Hoyle**

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

*"That, pursuant to and in accordance with section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant and issue up to 4,000,000 Options for no consideration, exercisable on or before the date that is 5 years from the date of issue at 15 cents each, to Mr Maurice Hoyle or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting (including Annexure A to the Explanatory Memorandum)."*

The Company will in accordance with section 224 of the Corporations Act and the Listing Rules of the ASX, disregard any votes cast on this Resolution 7 by Mr Maurice Hoyle and any associates of Mr Maurice Hoyle. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution and it is not cast on behalf of Mr Maurice Hoyle or an associate of Mr Maurice Hoyle.

## **Resolution 8 – Grant of Options to Mr James Walls**

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

*"That, pursuant to and in accordance with section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant and issue up to 1,000,000 Options for no consideration, exercisable on or before the date that is 5 years from the date of issue at 15 cents each, to Mr James Walls or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting (including Annexure B to the Explanatory Memorandum)."*

The Company will in accordance with section 224 of the Corporations Act and the Listing Rules of the ASX, disregard any votes cast on this Resolution 8 by Mr James Walls and any associates of Mr James Walls. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution and it is not cast on behalf of Mr James Walls or an associate of Mr James Walls.

## **Resolution 9 – Grant of Options to Mr Jason Brewer**

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

*"That, pursuant to and in accordance with section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant and issue up to 1,000,000 Options for no consideration, exercisable on or before the date that is 5 years from the date of issue at 15 cents each, to Mr Jason Brewer or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting (including Annexure B to the Explanatory Memorandum)."*

The Company will in accordance with section 224 of the Corporations Act and the Listing Rules of the ASX, disregard any votes cast on this Resolution 9 by Mr Jason Brewer and any associates of Mr Jason Brewer. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution and it is not cast on behalf of Mr Jason Brewer or an associate of Mr Jason Brewer.

### **Resolution 10 – Grant of Options to Mr Bruce Fulton**

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

*"That, pursuant to and in accordance with section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes, the Directors be and are hereby authorised to grant and issue up to 1,000,000 Options for no consideration, exercisable on or before the date that is 5 years from the date of issue at 15 cents each, to Mr Bruce Fulton or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting (including Annexure B to the Explanatory Memorandum)."*

The Company will in accordance with section 224 of the Corporations Act and the Listing Rules of the ASX, disregard any votes cast on this Resolution 10 by Mr Bruce Fulton and any associates of Mr Bruce Fulton. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution and it is not cast on behalf of Mr Bruce Fulton or an associate of Mr Bruce Fulton.

### **Resolution 11 – Employee Share Option Plan**

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

*"That, pursuant to and in accordance with Listing Rule 7.2, Exception 9 and for all other purposes, the Company approves the issue of securities under the employee incentive option scheme for employees and directors known as "Universal Resources Limited Employee Share Option Plan 2008", the rules of which are annexed as Annexure C to the Explanatory Memorandum accompanying this Notice of Annual General Meeting, as an exception to Listing Rule 7.1."*

The Company will disregard any votes cast on Resolution 11 by a director of the Company and any person associated with 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 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 12 – Amendments to the Constitution**

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

*"That, the Constitution contained in the document submitted to this meeting and signed by the Chairman for identification purposes be approved and adopted as the Constitution of the Company in substitution for the existing Constitution of the Company."*

## **OTHER BUSINESS**

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

*For the purposes of Resolutions 1 – 12, the following definitions apply:*

*"Annual Report" means the annual report of the Company for the year ended 30 June 2008;*

*"ASX" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;*

*"Company" means Universal Resources Limited ACN 090 468 018;*

*"Constitution" means the Company's constitution, as amended from time to time;*

*"Corporations Act" means Corporations Act 2001 (Cth);*

*"Directors" means the Directors of the Company;*

*"Listing Rules" means the Listing Rules of the ASX;*

*"Option" means an option to acquire a Share;*

*"Shares" means fully paid ordinary shares in the capital of the Company; and*

*"WDT" Australian Western Daylight Time.*

**By Order of the Board of Directors**

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Desmond Kelly  
Company Secretary

30 September 2008

## **PROXIES**

- Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
- A shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies to attend and vote at this meeting. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights.
- A proxy may but need not be a shareholder of the Company.
- The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, either under seal or under hand of an officer of his attorney duly authorised.
- The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and reach the Registered Office of the Company at least 48 hours prior to the meeting. For the convenience of shareholders a Proxy Form is enclosed.

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding ordinary shares at 5.00pm (WDT) on 24 November 2008 will be entitled to attend and vote at the Annual General Meeting.

### **Corporate Representatives**

A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with, or presented to the Company before the meeting.

**UNIVERSAL RESOURCES LIMITED**  
**ACN 090 468 018**  
**PROXY FORM**

The Company Secretary  
 Universal Resources Limited  
 c/- Computershare Investor Services  
 GPO Box D182  
 PERTH WA 6840



View the annual report:  
[www.universalresources.com.au](http://www.universalresources.com.au)

Facsimile: (08) 9323 2033  
 I/We (name of shareholder) .....  
 of (address) .....  
 being a member/members of Universal Resources Limited HEREBY APPOINT  
 (name) .....  
 of (address) .....  
 and/or failing him (name) .....  
 of (address) .....

or failing that person then the Chairman of the Annual General Meeting as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 11.00am (WDT) on 26 November 2008 at the BDO Kendalls, 128 Hay Street, Subiaco, Western Australia and at any adjournment of the meeting.

*Should you so desire to direct the Proxy how to vote, you should place a cross in the appropriate box below:*

I/We direct my/our Proxy to vote in the following manner:

	For	Against	Abstain
<b>Resolution 1 – Non Binding Resolution to adopt Remuneration Report</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 2 – Re-election of Mr Jason Brewer as a Director</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3 – Re-election of Mr Bruce Fulton as a Director</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 4 – Re-election of Mr Maurice Hoyle as a Director</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 5 - Ratification of Prior Issue of Shares</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 6 – Ratification of Prior Issue of Shares</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 7 – Grant of Options to Mr Maurice Hoyle</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 8 – Grant of Options to Mr James Walls</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 9 – Grant of Options to Mr Jason Brewer</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 10 – Grant of Options to Mr Bruce Fulton</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 11 – Employee Share Option Plan</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 12 –Adoption of new Constitution</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

If the Chair of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of resolution 11, please place a mark in the box. By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he has an interest in the outcome of resolution 11 and votes cast by the Chair of the meeting for resolution 11 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, then if the Chair has an interest in resolution 11 other than as member, the Chair will not cast your votes on resolution 11 and your votes will not be counted in calculating the required majority if a poll is called on resolution 11. The Chair intends to vote 100% of all open proxies in favour of each resolution.

*This Proxy is appointed to represent \_\_\_\_% of my voting right, or if 2 proxies are appointed Proxy 1 represents \_\_\_\_% and Proxy 2 represents \_\_\_\_% of my total votes  
 My total voting right is \_\_\_\_\_ shares*

**PLEASE SIGN HERE**

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

*Executed* in accordance with section 127 of the *Corporations Act*:

<b>Individual or Shareholder 1</b>	<b>Joint Shareholder 2</b>	<b>Joint Shareholder 3</b>

<b>Sole Director &amp; Sole Company Secretary</b>	<b>Director</b>	<b>Director/ Company Secretary</b>
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Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2008

## **INSTRUCTIONS FOR APPOINTMENT OF PROXY**

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed under either the common seal of the corporation or under the hand of an officer of the company or its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by at least one of the joint shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this Annual General Meeting (that is, by 11.00am (WDT) 24 November 2008), by person, post or facsimile to the address or facsimile number stipulated in this proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
  - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way;
  - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands;
  - (c) if the proxy is Chairperson, the proxy must vote on a poll and must vote that way; and
  - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.

7. The Chairman intends to vote in favour of all resolutions in relation to undirected proxies.

**UNIVERSAL RESOURCES LIMITED**  
**ACN 090 468 018**  
**EXPLANATORY MEMORANDUM**

This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of Universal.

The Directors recommend shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

**FINANCIAL REPORTS**

The first item of the Notice of Annual General Meeting deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2008 together with the Directors' declaration and report in relation to that financial year and the auditor's report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the independent audit report;
- the accounting policies adopted by the Company in relation to the preparation of accounts; and
- the independence of the auditor in relation to the conduct of the audit.

**RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

In accordance with section 250R(2) of the Corporations Act the Company is required to present to its shareholders the Remuneration Report as disclosed in the Company's 2008 Annual Report. The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Report and is also available on the Company's website ([www.universalresources.com.au](http://www.universalresources.com.au)).

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any share based compensation.

**RESOLUTION 2 – RE-ELECTION OF MR JASON BREWER AS A DIRECTOR**

Pursuant to Clause 13.2 of the Company's Constitution, Mr Jason Brewer, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Mr Brewer has over 15 years international experience in the natural resources sector and in investment banking. He is a mining engineer with a masters degree in mining engineering with honours from the Royal School of Mines, London. He has experience in gold and base metals mines, having worked at the Kidd Creek Copper and Zinc mine in Canada for Falconbridge, the Lanfranchi Nickel Mine in Western Australia for WMC and the Kinross Gold Mine in South Africa for Gencor.

### **RESOLUTION 3 RE-ELECTION OF MR BRUCE FULTON AS A DIRECTOR**

Resolution 3 seeks approval for the election of Mr Bruce Fulton as a Director with effect from the end of the Meeting.

Clause 13.5 of the Constitution provides that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Bruce Fulton retires from office in accordance with the requirements of clause 13.5 of the Constitution and submits himself for re-election in accordance with clause 13.5.

Mr Fulton is currently a senior executive with The Swann Group, an executive search firm specialising in the global mining and resources industry. He is a member of the Australasian Institute of Mining & Metallurgy and the Australian Institute of Company Directors. He is a graduate of the University of Waikato, New Zealand, and holds a Masters of Science (Hons) degree majoring in Earth Science. He also holds the degree of Master of Business Administration from Deakin University, Melbourne.

Mr Fulton has extensive resource industry experience having worked with both Australian and international mining companies. His experience covers a wide range of the global mining and resources industry including involvement in exploration, operations, corporate development and M&A activities. Bruce's experience also covers a wide range of commodities. He continues his industry association through active participation in key industry events and with industry associations such as the Australasian Institute of Mining & Metallurgy.

### **RESOLUTION 4 RE-ELECTION OF MR MAURICE HOYLE AS A DIRECTOR**

Resolution 4 seeks approval for the election of Mr Maurice Hoyle as a Director with effect from the end of the Meeting.

Clause 13.5 of the Constitution provides that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Maurice Hoyle retires from office in accordance with the requirements of clause 13.5 of the Constitution and submits himself for election in accordance with clause 13.5.

Mr Hoyle is a geologist with the degree of Bachelor of Science (Hons) from the University of London. He is a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Society of Economic Geologists. He has extensive experience in mining and exploration both in Australia and Internationally. Maurice's international experience includes working in Africa and in particular the Zambian Copper Belt. His experience covers a diverse suite of minerals, with particular emphasis on gold, copper and nickel.

#### **RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES**

On 5 March 2008 the Company announced it had placed with Tulla Resources Group Limited 33,800,000 Shares at an issue price of 6.5 cents per Share raising \$2,197,000. The Company had capacity to place the 33,800,000 Shares without Listing Rule 7.1 approval and accordingly is seeking ratification of the placement of those Shares pursuant to Listing Rule 7.4.

In summary, Listing Rule 7.4 allows a company to seek subsequent approval from shareholders of an issue of shares so that the issue of shares does not count towards the 15% limit on issues without shareholder approval contained in Listing Rule 7.1. Listing Rule 7.1 provides that a company may only issue up to 15% of its capital in any 12 month period without first obtaining the approval of shareholders by ordinary resolution.

Pursuant to Resolution 5, the Directors are seeking ratification under Listing Rule 7.4 of the issue of 33,800,000 Shares that was made on 5 March 2008 in order to restore the right of the Company to issue further shares within the 15% limit during the next 12 months.

The following information in relation to the Shares is provided to shareholders for the purposes of Listing Rule 7.5:

- (a) 33,800,000 Shares were allotted and issued;
- (b) the Shares were issued at an issue price of 6.5 cents each;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary shares on issue;
- (d) the Shares were issued to Tulla Resources Group Limited, an unrelated party of the Company; and
- (e) funds raised from the issue will be used for working capital purposes.

#### **RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES**

On 25 February 2008 the Company announced it had placed with professional and sophisticated investors 11,000,000 Shares at an issue price of \$0.65 per Share raising \$715,000. The Company had capacity to place the 11,000,000 Shares without Listing Rule 7.1 approval and accordingly is seeking ratification of the placement of those Shares pursuant to Listing Rule 7.4.

In summary, Listing Rule 7.4 allows a company to seek subsequent approval from shareholders of an issue of shares so that the issue of shares does not count towards the 15% limit on issues without shareholder approval contained in Listing Rule 7.1. Listing Rule 7.1 provides that a company may only issue up to 15% of its capital in any 12 month period without first obtaining the approval of shareholders by ordinary resolution.

Pursuant to Resolution 6, the Directors are seeking ratification under Listing Rule 7.4 of the issue of 11,000,000 Shares that was made on or about 25 February 2008 in order to restore the right of the Company to issue further shares within the 15% limit during the next 12 months.

The following information in relation to the Shares is provided to shareholders for the purposes of Listing Rule 7.5:

- (a) 11,000 000 Shares were allotted and issued;
- (b) the Shares were issued at an issue price of 6.5 cents each;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary shares on issue;
- (d) the Shares were issued to the following parties:

Herschel Principal Finance Ltd
Tulla Capital Management Pty Ltd
Polyran Investments Pty Ltd as trustee for the Stack Super Fund
Kovron Pty Ltd as trustee for the J M Creagh Super Fund
Morbride Pty Ltd as trustee for the Morbride Super Fund
CGS Superannuation Pty Ltd as trustee for the CGS Superannuation Fund
Barry Ryle

All allottees are unrelated parties of the Company; and

- (e) funds raised from the issue will be used for working capital purposes.

## **RESOLUTIONS 7 TO 10 - GRANT OF OPTIONS TO MR MAURICE HOYLE, MR JAMES WALLS, MR JASON BREWER AND MR BRUCE FULTON**

As announced to ASX on 17 June 2008, the Company proposes to grant a total of 7,000,000 Options to Mr Maurice Hoyle, Mr James Walls, Mr Jason Brewer and Mr Bruce Fulton ("**Participating Directors**"), or their nominees, as follows:

<b>Director</b>	<b>Number of Options</b>
Mr Maurice Hoyle, or his nominee(s)	4,000,000
Mr James Walls or his nominee(s)	1,000,000
Mr Jason Brewer or his nominee(s)	1,000,000
Mr Bruce Fulton or his nominee(s)	1,000,000
<b>Total</b>	<b>7,000,000</b>

The Options each have an exercise price of \$0.15 each and have an expiry date of 5 years from the date of grant.

The Options proposed to be granted to Mr Hoyle do not vest until the date which is 12 months from their date of grant. The Options proposed to be granted to Mr Walls, Mr Brewer and Mr Fulton vest immediately.

The full terms of the Options proposed to be granted to Mr Hoyle are set out in Annexure A to this Explanatory Memorandum. The full terms of the Options proposed to be granted to Mr Walls, Mr Brewer and Mr Fulton are set out in Annexure B to this Explanatory Memorandum.

The grant of Options is designed to encourage the Participating Directors to have a greater involvement in the achievement of the Company’s objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through share ownership. Under the Company’s current circumstances the Directors consider (in the absence of the Participating Directors) that the incentives intended for the Participating Directors represented by the grant of these Director Options are a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

The number of Options to be granted to each of the Participating Directors has been determined based upon a consideration of:

- the remuneration of the Directors;
- the Directors wish to ensure that the remuneration offered is competitive with market standards. The Directors have considered the proposed number of Options to be granted will ensure that the Participating Directors’ overall remunerations is in line with market standards; and
- incentives to attract and ensure continuity of service of directors who have appropriate knowledge and expertise.

In the event the Options are exercised, the following amounts will need to be paid to the Company by the Participating Directors:

<b>Director</b>	<b>Amount to be paid</b>
Mr Maurice Hoyle	\$600,000
Mr James Walls	\$150,000
Mr Jason Brewer	\$150,000
Mr Bruce Fulton	\$150,000

The Company will therefore receive \$1,050,000 from the Participating Directors should all the Options be exercised.

**Related Party Transactions Generally**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a *related party* of the public company *unless* either:

1. the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
2. shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, each of the Participating Directors is considered to be a related party of the Company.

Resolutions 7, 8, 9 and 10 provide for the grant of Options to the Participating Directors which is a financial benefit which requires shareholder approval.

### **Current Holdings**

Set out below are details of each of the Participating Directors' relevant interest in the securities of the Company as at the date of this Notice:

<b>Director</b>	<b>Associates</b>	<b>Number of Shares</b>	<b>Number of Options</b>
Mr Maurice Hoyle	Direct	Nil	1,000,000
	Hoylex Industries Pty Ltd as trustee for the Hoyle Super Fund (Mr Hoyle is a beneficiary of the Hoyle Super Fund)	672,453	Nil
	Peter Ingram and Maurice Hoyle (Mr Hoyle holds these shares as a tenant in common)	80,100	Nil
Mr James Walls	Direct	543,478	Nil
	Australian Consolidated Exploration Pty Ltd (Mr Walls is a director and shareholder of Australian Consolidated Exploration Pty Ltd)	262,432	Nil
Mr Jason Brewer	Not applicable	Nil	Nil
Mr Bruce Fulton	Not applicable	Nil	Nil

### **INFORMATION REQUIREMENTS**

For the purposes of Chapter 2E of the Corporations Act the following information is provided.

***The related parties to whom the proposed resolutions would permit the financial benefit to be given:***

Subject to shareholder approval, the following maximum number of Options will be granted to the following related parties, or their respective nominees:

<b>Director</b>	<b>Number of Options</b>
Mr Maurice Hoyle, or his nominee(s)	4,000,000
Mr James Walls or his nominee(s)	1,000,000
Mr Jason Brewer or his nominee(s)	1,000,000
Mr Bruce Fulton or his nominee(s)	1,000,000
<b>Total</b>	<b>7,000,000</b>

***The nature of the financial benefit***

The proposed financial benefit to be given is the grant of Options for no consideration to the Participating Directors as noted above. The full terms of the Options proposed to be granted to Mr Hoyle are set out in Annexure A to this Explanatory Memorandum. The full terms of the Options proposed to be granted to Mr Walls, Mr Brewer and Mr Fulton are set out in Annexure B to this Explanatory Memorandum.

***Directors' recommendation***

All the Directors were available to make a recommendation. For the reasons noted above:

Messrs Ingram, Walls, Brewer and Fulton (who have no interest in the outcome of Resolution 7) recommend that shareholders vote in favour of Resolution 7. Mr Maurice Hoyle declines to make a recommendation about Resolution 7 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed grant of Options to him or his nominee(s).

Messrs Ingram, Hoyle, Brewer and Fulton (who have no interest in the outcome of Resolution 8) recommend that shareholders vote in favour of Resolution 8. Mr James Wall declines to make a recommendation about Resolution 8 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed grant of Options to him or his nominee(s).

Messrs Ingram, Hoyle, Walls and Fulton (who have no interest in the outcome of Resolution 9) recommend that shareholders vote in favour of Resolution 9. Mr Jason Brewer declines to make a recommendation about Resolution 9 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed grant of Options to him or his nominee(s).

Messrs Ingram, Hoyle, Walls and Brewer (who have no interest in the outcome of Resolution 10) recommend that shareholders vote in favour of Resolution 10. Mr Bruce Fulton declines to make a recommendation about Resolution 10 as he has a material personal interest in the outcome of that particular Resolution as it relates to the proposed grant of Options to him or his nominee(s).

Shareholders should note that for the reasons previously stated in this Explanatory Memorandum, it is proposed to grant Options to Messrs Walls, Brewer and Fulton (all of whom are non-executive Directors) notwithstanding Box 8.2 of the ASX Corporate Governance Council Principles of Good Corporate Governance and Best Practice Recommendations which provides that non-executive directors should not receive options.

***Other information that is reasonably required by members to make a decision and that is known to the Company or any of its Directors.***

The proposed ordinary Resolutions 7, 8, 9 and 10 would have the effect of giving power to the Directors to grant a total of 7,000,000 Options on the terms and conditions as set out in Annexures A and B (as relevant) to this Explanatory Memorandum and as otherwise mentioned above.

The Company currently has 344,022,378 listed Shares and the following unlisted Options and Notes on issue:

<b>Number</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
2,385,000	15 cents	14 September 2010
1,000,000	15 cents	12 March 2012
800,000	15 cents	5 September 2011
5,000,000	15 cents	27 December 2012
6,650,000	15 cents	30 June 2013
152,180	\$100	Converting Notes maturing on 23 June 2009

If all Director Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, the effect would be to dilute the share holding of existing shareholders by approximately 2%. The market price of the Company's Shares during the period of the Options will normally determine whether or not the Participating Directors exercise the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Options.

The Participating Directors' fees per annum (including superannuation) and the total financial benefit to be received by them in this current period as a result of the grant of the Options the subject of Resolutions 7, 8, 9 and 10 are as follows:

<b>Director</b>	<b>Fees p.a. (\$)</b>	<b>Value of Director Options (\$)</b>	<b>Total Financial Benefit (\$)</b>
Mr Maurice Hoyle	255,820	55,600	311,420
Mr James Walls	40,000	13,900	53,900
Mr Jason Brewer	49,050	13,900	62,950
Mr Bruce Fulton	49,050	13,900	62,950

The above range of valuations is based on the share price of the Company of 6 cents, which is the price of Shares as at 22 September 2008. A further valuation will be undertaken at the date of the actual grant of the Options to the Participating Directors or their respective nominees.

## Valuation of Director Options

The Company's advisers have valued the Options to be granted to the Participating Directors using the Black & Scholes Model. The value of an option calculated by the Black & Scholes Model is a function of a number of variables. The valuation of the Options has been prepared using the following assumptions:

<b>Variable</b>	<b>Input</b>
Share price	6 cents
Exercise price	15 cents
Risk Free Interest Rate	5.54%
Volatility	49.4%
Expiry date	30 August 2013

For the purposes of this valuation the Company's advisers have assumed 26 November 2008 as the issue date of the Options. For the share price, the closing price of the Company's Shares on the ASX as at 22 September 2008 has been used. The Company's advisers have also assumed a volatility level of 49.4% given the industry in which the Company operates, its financial position and the volatility of listed shares of other companies comparable to Universal.

Based on the assumptions, it is considered that the estimated average value of the Options to be granted to the Participating Directors is 1.39 cents per Option.

Any change in the variables applied in the Black & Scholes calculation between the date of the valuation and the date the Options are granted would have an impact on their value.

The following table gives details of the highest, lowest and latest price of the Company's Shares trading on ASX over the past 12 months ending on 30 September 2008:

<b>Security</b>	<b>Highest Price (\$)</b>	<b>Date of highest price</b>	<b>Lowest Price (\$)</b>	<b>Date of lowest price</b>	<b>Latest Price On 30 September 2008 (\$)</b>
Ordinary Shares	0.115	19 November 2007	0.045	30 September 2008	0.045

## *Other Information*

Under the Australian Equivalent of IFRS, the Company is required to expense the value of the Options in its statement of financial performance for the current financial year. Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Options pursuant to Resolutions 7, 8, 9 and 10.

Neither the Directors nor the Company are aware of other information that would be reasonably required by shareholders to make a decision in relation to the financial benefits contemplated by the proposed resolutions.

### ***Listing Rule 10.11***

Listing Rule 10.11 requires shareholder approval by ordinary resolution to any issue by a listed company of securities to a related party. Accordingly, Listing Rule 10.11 requires shareholders to approve the grant of Options to the Participating Directors.

### ***Additional Information***

The following information in relation to the Options to be granted pursuant to Resolutions 7, 8, 9 and 10 is provided to shareholders for the purposes of Listing Rule 10.13:

- (a) the Options will be granted to the Participating Directors, or their nominees, as noted above;
- (b) the maximum number of Options to be granted is 7,000,000;
- (c) the Director Options will be allotted and granted on a date which will be no later than 1 month after the date of this Meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules;
- (d) the Director Options will be granted for no consideration;
- (e) no funds will be raised by the grant of the Director Options; and
- (f) the full terms of the Options proposed to be granted to Mr Hoyle are set out in Annexure A to this Explanatory Memorandum. The full terms of the Options proposed to be granted to Mr Walls, Mr Brewer and Mr Fulton are set out in Annexure B to this Explanatory Memorandum.

If approval is given for the grant of the Director Options under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

### **RESOLUTION 11 – NEW 2008 EMPLOYEE SHARE OPTION PLAN**

The Directors considered that it was desirable to establish an option plan under which employees may be offered the opportunity to subscribe for Options to acquire Shares in the Company in order to increase the range of potential incentives available to them and to strengthen links between the Company and its employees and accordingly adopted the 2008 Universal Resources Employee Share Option Plan ("**Plan**") on 25 September 2008.

The Plan is designed to provide incentives to the employees of the Company and to recognise their contribution to the Company's success. Under the Company's current circumstances the Directors consider that the incentives to employees are a cost effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure employees and Directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The Plan is designed to achieve this objective, by encouraging

continued improvement in performance over time and by encouraging personnel to acquire and retain significant shareholdings in the Company.

Shareholder approval is required if any issue of Employee Options pursuant to the Plan is to fall within the exception to the calculation of the 15% limit imposed by Listing Rule 7.1 on the number of securities which may be issued without shareholder approval. Accordingly, shareholder approval is sought for the purposes of Listing Rule 7.2 Exception 9(b) which provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by the holders of ordinary securities within three years of the date of issue.

Prior shareholder approval will be required before any Director or related party of the Company can participate in the Plan.

Under the Plan, the Board may offer to Eligible Persons the opportunity to subscribe for such number of Employee Options in the Company as the Board may decide and on the terms set out in the rules of the Plan, a copy of which is contained in Annexure C of this Explanatory Memorandum. Employee Options granted under the Plan will be offered to participants in the Plan on the basis of the Board's view of the contribution of the Eligible Person to the Company.

In accordance with the requirements of Listing Rule 7.2 Exception 9(b) the following information is provided:

- (a) a copy of the rules of the Plan is attached as Annexure C to the Notice;
- (b) this is the first approval sought under Listing Rule 7.2 Exception 9 with respect to this Plan. However, the Company issued a total of 21,625,000 options under the previous employee share option plan; and
- (c) a voting exclusion statement has been included for the purposes of Resolution 11.

## **RESOLUTION 12 – AMENDMENT OF CONSTITUTION**

Resolution 12 asks members to approve a special resolution adopting a new Constitution in substitution for the existing Constitution of the Company. The Company's present Constitution was first adopted in 30 November 2004 under the Corporations Law. The new Constitution complies with the Listing Rules of the Australian Securities Exchange and the Australian Corporations Act 2001 and is consistent with constitutions for publicly listed companies in Australia.

Copies of the current and proposed Constitution are available for perusal by Shareholders at the Company's registered office or via the internet at [www.universalresources.com.au](http://www.universalresources.com.au).

The Directors of the Company unanimously recommend that Shareholders vote to approve Resolution 12 and adopt the proposed new Constitution for the Company.

The Constitution proposed to be adopted is substantially similar to the present Constitution but differs from the present Constitution in the following material respects:

### ***Update for Corporations Act and ASX changes***

The Constitution is proposed to be amended throughout to reflect the change from "Corporations Law" to "Corporations Act" and from "Australian Stock Exchange" to Australian Securities Exchange".

### ***Update for ASTC Settlement Rules***

The former SCH Business Rules have now been superseded by the ASTC Settlement Rules, the Constitution is proposed to be updated throughout accordingly.

### ***Non gender specific language***

The Constitution is proposed to be amended by replacing gender specific language (such as Chairman) with non gender specific language (such as Chair).

### ***Reduction of Share Capital***

The Constitution is proposed to be amended by adding a new clause 9.2 to provide that where the Company pursuant to a reduction of its share capital, distributes to its Shareholders, shares, options and other securities in another Corporation:

- (a) the Shareholders will be deemed to have agreed to become members of that Corporation; and
- (b) each of the Shareholders appoints the Company or any of the Directors as its agent to execute any transfer or other document required to effect the distribution of shares, or options or other securities to that Shareholder.

The result of such a resolution will streamline any capital reductions which involve the distribution of capital.

### ***Postponement of general meeting***

The Constitution is proposed to be amended by adding a new clause 11.5 to provide that the directors may postpone, cancelled or change the place of a meeting of shareholder by written notice to the ASX.

The result of such a resolution will be a cost efficiency for the Company in the event that a general meeting is required to be postponed, cancelled or rescheduled.

### ***Chair's Casting Vote***

The Constitution is proposed to be amended by adding a new clause 12.7(c) to allow the chair of meeting to have a casting vote in the case of an equality of votes on a show of hands or a poll.

### ***Directors meetings by instantaneous communication device***

The Constitution currently provides that the Directors may hold a Directors meeting by way of an instantaneous communications device and each Director had to separately consent to the use of an instantaneous communications device.

The Constitution is proposed to be amended by the insertion of a new clause 16.1(a) providing that all directors will give such consent.

### ***Alternative method of payment of dividend***

The Constitution is proposed to be amended by the insertion of a new clause 22.6(b) to allow that where the Company is required to distribute to its Shareholders, by way of dividend, shares, options, or other securities in another Corporation:

- (a) the Shareholders will be deemed to have agreed to become members of that Corporation; and
- (b) each of the Shareholders appoints the Company or any of the Directors as its agent to execute any transfer or other document required to effect the distribution of shares, options or other securities to the Shareholders.

### ***Electronic notification and appointment of proxies***

Changes to the Corporations Act and Regulations in CLERP 9 allow for the electronic transmission of notices of meeting and submission of proxy appointment forms via email. This resolution serves to amend the Constitution to allow the Company to adopt the changes as detailed below.

#### **Electronic Notification**

Clause 28.1 of the Company's Constitution currently provides that notice of meetings must be served personally or by post. The proposed amendments to Clause 28.1, 28.2 and 28.3 update the Constitution by allowing the Company to give notices by person, by sending them by post to the Shareholder's address, or by sending them to the fax number or electronic address nominated by the Shareholder. The amendment also incorporates the recently introduced section 249J(3A) of the Act, which provides that the Company may notify Shareholders of meetings by sending notification to a nominated electronic address, whereby the Shareholder can click to a link to access the full notice and relevant materials.

The Directors believe that the electronic distribution of notices has the potential to reduce the Company's printing and distribution costs. However, the new means of distributing notices will not be compulsory for Shareholders. If, following the passage of Resolution 12, the Company decides to utilize this method of distribution, Shareholders will have the choice to continue receiving notices by post, or to nominate an electronic address to receive notices.

The amendments to clauses 28.2 and 28.3 clarify when notices given by the various means are deemed to be received. Where notice is sent by facsimile or electronic notification, service is deemed to have been served on the day of its transmission, or the following Business Day (as defined in the Constitution) if it is transmitted after 5:00pm or on a non-Business Day.

### Appointment of Proxies

Clause 12.17 currently provides that an instrument of proxy:

"(a) shall be in writing under the hand of the appointor or of his attorney, or, if the appointer is a body corporate, either under seal or under the hand of a duly authorised officer, or officers (as the case may be) or attorney;

...

(e) shall not be valid unless the original instrument and the power of attorney or other authority (if any) under which the instrument is signed (duly stamped where necessary) or a certified copy of that proxy, power or authority, is or are deposited at or sent by facsimile transmission to the Registered Office, or deposited at or sent by facsimile transmission to such other place as is specified for that purpose in the notice convening the general meeting, no later than 48 hours prior to the time of the commencement of the general meeting in the place that the general meeting being convened (or the resumption thereof if the general meeting is adjourned and notice is given in accordance with clause 14.6) as shall be specified in the notice convening the general meeting (or the notice under clause 14.6, as the case may be);"

The proposed amendments to clause 12.17 will enable the Company to accept proxy forms from Shareholders electronically.

In particular, under the proposed amendment to clause 12.17 instruments of proxy would be permitted to be transmitted to an electronic address specified in the relevant notice of meeting, in addition to being sent by post or facsimile.

Such instruments of proxy will not need to be physically signed by Shareholders, but will be taken to be signed in accordance with clause 12.17(a) if they have been "authenticated" in a manner approved by the Directors in accordance with the Corporations Act. The Corporations Regulations provide that such authentication must include:

- a method of identifying the shareholder, which must be done by personal details (such as the member's name, address and date of birth); and
- an indication of the shareholder's approval of the information communicated, which must be done by a form of security protection (such as the entering of a confidential shareholder registration number, or holder identification number).

### ***Documentary Indemnities and Director's access to information***

The Constitution is proposed to be amended by the insertion of:

- (a) a new clause 28.3 to allow the Company to indemnify the Directors; and
- (b) a new clause 29 to allow the current Directors to, where considered appropriate, give former access to certain directors.

These amendments, if approved will bring the Constitution in line with the general practice of current listed entities which now often enter into deeds of indemnity, access and insurance with their directors.

### ***Proportional Takeover Bid***

The proposed Constitution extensively details the procedure to approve a proportional takeover bid for securities of the Company.

## GLOSSARY

In this Explanatory Memorandum, the following terms have the following meanings unless the context otherwise requires:

<b>Annual Report</b>	means the annual report of the Company for the year ended 30 June 2008.
<b>ASX</b>	means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
<b>Board</b>	means the board of Directors of the Company.
<b>Company or Universal</b>	means Universal Resources Limited (ACN 090 468 018).
<b>Constitution</b>	means the constitution of the Company.
<b>Corporations Act</b>	means the Corporations Act 2001 (Cth).
<b>Director</b>	means a director of the Company.
<b>Listing Rules</b>	means the Listing Rules of the ASX.
<b>Meeting</b>	means the annual general meeting the subject of the Notice.
<b>Notice</b>	means the notice of annual general meeting which accompanies this Explanatory Memorandum.
<b>Option</b>	means an option to acquire a Share.
<b>Plan</b>	means the Universal Resources Limited Employee Share Option Plan as set out in Annexure C to this Explanatory Memorandum.
<b>Resolution</b>	means a resolution proposed pursuant to the Notice.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.

## ANNEXURE A

### TERMS AND CONDITIONS OF OPTIONS TO BE ISSUED TO MAURICE HOYLE

#### (Resolution 7)

The terms and conditions of the Options to be issued to Mr Hoyle (or his nominee) are as follows:

- (a) each Option entitles the holder to subscribe for one fully paid ordinary share, ranking pari passu with existing issued fully paid ordinary shares, in the capital of the Company;
- (b) 15 cents per Share is payable on exercise of the Options;
- (c) the Options will have a 5 year life from the date of grant ("**Date of Expiry**");
- (d) the Options will vest on a date ("**Vesting Date**") 12 months from the date of issue;
- (e) notwithstanding any other terms and conditions, the Options may be exercised prior to the Vesting Date and the Exercise Hurdle for the Options being satisfied:
  - (i) during the Bid Period;
  - (ii) at any time after a Change in Control Event has occurred; or
  - (iii) on an application under section 411 of the Corporations Act if a court orders a meeting to be held concerning a proposed compromise or arrangement for the purposes of or in connection with a scheme of the reconstruction of the Company or its amalgamation with any other company.
- (f) the Options are exercisable by notice in writing to the Company accompanied by payment of the exercise price after the Vesting Date and prior to Date of Expiry subject to the Exercise Hurdle having been achieved;
- (g) exercise of the Options is effected by completing the notice of exercise of Options and forwarding it to the Company with the requisite application monies;
- (h) the Options are not transferable;
- (i) if Mr Hoyle ceases to be an employee of the Company Options held and vested in him (or his nominees) will expire three months from the date of him ceasing to be an employee of the Company. Options not vested automatically lapse;
- (j) the Company will apply for quotation of the shares pursuant to the exercise of Options within 10 days of their exercise;
- (k) there is no right to change the exercise price of the Options nor the number of underlying Shares over which the Options can be exercised, if the Company completes a bonus or entitlement issue;
- (l) there are no participation rights or entitlements inherent in the Options and their holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options. The Company, however, will ensure that for the purposes of determining entitlements to any such issue, the books closing date will be in accordance with ASX Listing Rules. This will give the option holder

the opportunity to exercise his option (should he otherwise be entitled to) prior to the date for determining entitlements to participate in any such issue;

- (m) in the event of any reconstruction of the issued capital of the Company, the number of Options or the exercise price of the Options or both shall be reconstructed in a manner which complies with the ASX Listing Rules in force at that time and in all other respects the terms for the exercise of the Options shall remain unchanged;
- (n) Options not exercised by 5.00pm WST on the Date of Expiry will automatically lapse; and
- (o) in these terms and conditions:

**"Bid Period"** in relation to a takeover bid in respect of shares in the Company, means the period referred to in the definition of that expression in section 9 of the Corporations Act 2001 provided that where a takeover bid is publicly announced prior to the service of a bidder's statement on the Company in relation to that takeover bid, the Bid Period shall be deemed to have commenced at the time of that announcement;

**"Change of Control Event"** means a shareholder, or a group of associated shareholders, becoming entitled to sufficient shares in the Company to give it or them the ability and that is successfully exercised, in a general meeting, to replace all or a majority of the Board; and

**"Exercise Hurdle"** means the decision by the Company to mine the Roseby Project.

## ANNEXURE B

### TERMS AND CONDITIONS OF OPTIONS TO BE ISSUED TO JAMES WALLS, JASON BREWER AND BRUCE FULTON (Resolutions 8, 9 and 10)

The terms and conditions of the Options to be issued to Messrs Walls, Brewer and Fulton (or his nominees) are as follows:

- (a) each Option entitles the holder to subscribe for one fully paid ordinary share, ranking pari passu with existing issued fully paid ordinary shares, in the capital of the Company;
- (b) 15 cents per Share is payable on exercise of the Options;
- (c) the Options will have a 5 year life from the date of grant ("**Date of Expiry**");
- (d) the Options are exercisable by notice in writing to the Company accompanied by payment of the exercise price on or prior to Date of Expiry;
- (e) exercise of the Options is effected by completing the notice of exercise of Options and forwarding it to the Company with the requisite application monies;
- (f) the Options are not transferable;
- (g) if Messrs Walls, Brewer and Fulton cease to be an employee or director of the Company Options held and vested in him (or his nominee) will expire three months from the date of him ceasing to be an employee or director of the Company. Options not vested automatically lapse;
- (h) the Company will apply for quotation of the shares pursuant to the exercise of Options within 10 days of their exercise;
- (i) there is no right to change the exercise price of the Options nor the number of underlying Shares over which the Options can be exercised, if the Company completes a bonus or entitlement issue;
- (j) there are no participation rights or entitlements inherent in the Options and their holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options. The Company, however, will ensure that for the purposes of determining entitlements to any such issue, the books closing date will be in accordance with ASX Listing Rules. This will give the option holder the opportunity to exercise his Options (should he otherwise be entitled to) prior to the date for determining entitlements to participate in any such issue;
- (k) in the event of any reconstruction of the issued capital of the Company, the number of Options or the exercise price of the Options or both shall be reconstructed in a manner which complies with the ASX Listing Rules in force at that time and in all other respects the terms for the exercise of the Options shall remain unchanged; and
- (l) Options not exercised by 5.00pm WST on the Date of Expiry will automatically lapse.

**ANNEXURE C**

**THE UNIVERSAL RESOURCES LIMITED EMPLOYEE SHARE OPTION PLAN  
2008**

**UNIVERSAL RESOURCES LIMITED**  
**ACN 090 468 018**

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**RULES OF EMPLOYEE SHARE OPTION PLAN 2008**

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## **RULES OF EMPLOYEE SHARE OPTION PLAN 2008**

### **UNIVERSAL RESOURCES LIMITED**

**ACN 090 468 018**

## **RULES OF EMPLOYEE SHARE OPTION PLAN 2008**

**(adopted by the Board on 25 September 2008)**

### **1. NAME OF PLAN**

1.1 This Plan shall be called the 2008 Universal Resources Limited Employee Share Option Plan.

### **2. ESTABLISHMENT AND TERMINATION OF THE PLAN**

2.1 The Board may establish and administer the Plan in accordance with the terms and conditions set out in these Rules and otherwise as it determines from time to time in its absolute discretion.

2.2 The Board may terminate the Plan, or suspend its operation for any period it considers desirable, at any time that it considers appropriate.

2.3 The Board may not issue any further Options after the Plan has been terminated. However, these Rules will continue to apply to Options on issue at the date of such termination until the last of those Options lapses or is exercised.

### **3. PURPOSE OF PLAN**

3.1 The purpose of this Plan is to:

- (a) recognise the ongoing ability of the employees of the Company and their expected efforts and contribution in the long term to the performance and success of the Company;
- (b) provide an incentive to the employees of the Company to remain in their employment in the long term;
- (c) attract persons of experience and ability to employment with the Company and foster and promote loyalty between the Company and its employees; and
- (d) provide employees of the Company with the opportunity to acquire Options, and ultimately Shares, in the Company, in accordance with these Rules.

### **4. OPERATION OF THE PLAN**

4.1 The Plan operates according to these Rules which bind the Company and each Participant.

4.2 The number of Shares to be received on exercise of the Options the subject of an Offer when aggregated with:

- (a) the number of Shares which would be issued were each outstanding offer or Option, being an offer made or Option acquired pursuant to the Plan or any other employee share scheme extended only to employees or Directors of the Company, exercised; and
- (b) the number of Shares issued during the previous 5 years pursuant to the Plan or any other employee share scheme extended only to employees or Directors of the Company;

but disregarding any offer made, or Option acquired or Share issued by way of or as a result of:

- (c) an offer to a person situated at the time of receipt of the Offer outside Australia; or
- (d) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- (e) an offer made under a disclosure document,

must not exceed 5% of the total number of issued Shares as at the time of the Offer.

## **5. ELIGIBILITY**

5.1 Subject to these Rules, the Board may from time to time determine that any Eligible Person is entitled to participate in the Plan and the extent of that participation. Prior to making that determination, the Board must consider:

- (a) the seniority of the relevant Eligible Person and the position the Eligible Person occupies within the Company;
- (b) the length of service of the Eligible Person with the Company;
- (c) the record of employment of the Eligible Person with the Company;
- (d) the potential contribution of the Eligible Person to the growth of the Company;
- (e) the extent (if any) of the existing participation of the Eligible Person (or any Permitted Nominee in relation to that Eligible Person) in the Plan; and
- (f) any other matters which the Board considers relevant.

5.2 The Board may exercise its powers in relation to the participation of any Eligible Person on any number of occasions.

## 6. OFFER OF OPTIONS AND EXERCISE PRICE

6.1 Subject to these Rules and to the Listing Rules, the Company (acting through the Board) may offer Options to any Eligible Person at such times and on such terms as the Board considers appropriate. Each Offer must state:

- (a) the name and address of the Eligible Person to whom the Offer is made;
- (b) that the Eligible Person to whom the Offer is addressed may accept the whole or any lesser number of Options offered;
- (c) the minimum number of Options and any multiple of such minimum or any other number which may be accepted;
- (d) the period within which the Offer may be accepted, and the period or periods during which the Options or any of them may be exercised and the Expiry Date;
- (e) any Exercise Conditions;
- (f) the method of calculation of the Exercise Price; and
- (g) any other matters which the Board may determine.

6.2 The method of calculation of the Exercise Price of each Option will be determined by the Board with regard to the Market Value of the Shares when it resolves to offer the Option.

## 7. ACCEPTING OFFERS

7.1 Upon receipt of an Offer, an Eligible Person may, within the period specified in the Offer:

- (a) accept the whole or any lesser number of Options offered by giving to the Company an Application Form; or
- (b) nominate a nominee in whose favour the Eligible Person wishes to renounce the Offer by notice in writing to the Board. The Board may, in its absolute discretion, resolve not to allow such renunciation of an Offer in favour of a nominee without giving any reason for such decision.

7.2 Upon:

- (a) receipt of the Application Form referred to in paragraph 7.1(a); or
- (b) the Board resolving to allow a renunciation of an Offer in favour of a nominee ("**Permitted Nominee**") and the Permitted Nominee accepting the whole or any lesser number of Options offered by giving the Company an Application Form,

then the Eligible Person or the Permitted Nominee, as the case may be, will be taken to have agreed to be bound by these Rules and will be granted Options subject to these Rules.

7.3 If Options are issued to a Permitted Nominee or an Eligible Person, the Eligible Person must, without limiting any provision in these Rules, ensure that the Permitted Nominee complies with these Rules.

7.4 On the issue of Options following receipt by the Company of an Application Form, an Eligible Person or the Permitted Nominee, as the case may be, becomes a Participant.

## **8. NO CONSIDERATION**

8.1 No consideration is payable by an Eligible Person for a grant of an Option, unless the Board decides otherwise.

## **9. CERTIFICATES**

9.1 The Company must give a Participant one or more Certificates stating:

- (a) the number of Options issued to the Participant;
- (b) the Exercise Price of those Options; and
- (c) the Issue Date of those Options.

9.2 The Certificates for the Options will be dispatched within 10 Business Days after the Issue Date.

## **10. QUOTATION**

10.1 The Company will not apply for Official Quotation of any Options.

10.2 If shares of the same class as those allotted pursuant to the exercise of Options granted under the Plan are listed on the ASX, the Company must apply for Official Quotation of those Shares allotted pursuant to the exercise of Options within the time required by the Listing Rules after the date of allotment.

## **11. NOT TRANSFERABLE**

11.1 Subject to clause 14.5, Options are not transferable.

## **12. EXERCISE OF OPTIONS**

12.1 Subject to any Exercise Conditions, Options may be exercised at any time during the period commencing on the Issue Date and ending on the Expiry Date.

12.2 Notwithstanding paragraph 12.1, all Options may be exercised:

- (a) during a Bid Period; or
- (b) at any time after a Change of Control Event has occurred; or
- (c) on an application under section 411 of the Corporations Act, if a court orders a meeting to be held concerning a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company.

12.3 Options may only be exercised by the Participant giving notice in writing to the Board delivered to the registered office of the Company. The notice must specify the number of Options being exercised and the Exercise Price for the Options specified in the notice and must be accompanied by:

- (a) the Certificate for those Options, for cancellation by the Company; and
- (b) a cheque payable to the Company (or another form of payment acceptable to the Board) in the amount of the product of the number of Options then being exercised by the Participant and the Exercise Price.

The notice is only effective (and only becomes effective) when the Company has received value for the full amount referred to in paragraph (b).

12.4 Subject to paragraph 14.1, within 10 Business Days after the notice referred to in clause 12.3 becoming effective, the Board must:

- (a) allot and issue the number of Shares to be issued in respect of the Options being exercised;
- (b) cancel the Certificate for the Options being exercised; and
- (c) if applicable, issue a new Certificate for any remaining Options covered by the Certificate accompanying the notice.

12.5 The Board may, at its discretion, by notice to the Participant reduce, waive or vary (provided such variation is not adverse to the Participant) the Exercise Conditions attaching to Options in whole or in part at any time and in any particular case.

### **13. SHARES ALLOTTED ON EXERCISE OF OPTIONS**

13.1 All Shares allotted upon exercise of the Options rank pari passu in all respects with Shares previously issued and, in particular, entitle the holders of Shares to participate fully in:

- (a) dividends declared by the Company after the date of allotment; and
- (b) all issues of securities made or offered pro rata to holders of Shares.

## 14. LAPSE OF OPTIONS

- 14.1 Options not validly exercised on or before the Expiry Date will automatically lapse.
- 14.2 Unless otherwise determined by the Board, if any Options are granted subject to Exercise Conditions and, prior to satisfaction of the Exercise Conditions (such that the Options are not exercisable), an Eligible Person ceases to be an Eligible Person then:
- (a) if the Eligible Person ceases to be an Eligible Person for any reason other than a Specified Reason, any such Options held by such Eligible Person, or if appropriate, his or her Permitted Nominee, will automatically lapse; and
  - (b) if the Eligible Person ceases to be an Eligible Person for a Specified Reason, such Eligible Person, or if appropriate, his or her Permitted Nominee, may exercise any such Options held by him or her within:
    - (i) 6 months of the date of (as the case may be) Retirement, Redundancy, death or Total and Permanent Disablement; or
    - (ii) such longer period as the Board determines,subject to the Board, in its absolute discretion, reducing, waiving or varying the Exercise Conditions applying to those Options in accordance with clause 12.5 so that those Options may be exercised. Options the subject of clause 14.2(b) not exercised within the 6 months or the longer period determined by the Board, will automatically lapse.
- 14.3 Unless otherwise determined by the Board, if an Eligible Person ceases to be an Eligible Person at any time after an Option is or has become exercisable, then:
- (a) if the Eligible Person ceases to be an Eligible Person for any reason other than a Specified Reason, such Eligible Person, or if appropriate, his or her Permitted Nominee, may exercise any such Options held by him or her within :
    - (i) 1 month of ceasing to be an Eligible Person; or
    - (ii) such longer period as the Board determines,and any Options the subject of this clause not exercised within the 1 month or the longer period determined by the Board, will automatically lapse; and
  - (b) if an Eligible Person ceases to be an Eligible Person for a Specified Reason, such Eligible Person, or if appropriate, his or her Permitted Nominee is entitled to exercise any such Option at any time prior to its Expiry Date.

- 14.4 A certificate signed by the company secretary of the Company stating that a person ceased for any reason to be an Eligible Person shall (in the absence of manifest error) be conclusive for the purposes of the Plan, both as to such occurrence and the reason for such occurrence and the date of such occurrence.
- 14.5 Subject to clause 14.2, if at any time prior to the Expiry Date of any Options a Holder dies, the deceased Holder's Legal Personal Representative may:
- (a) elect to be registered as the new Holder of the deceased Holder's Options;
  - (b) whether or not he or she becomes so registered, exercise those Options in accordance with and subject to these Rules as if he were the Holder of them; and
  - (c) if the deceased Holder had already given the Company a notice of exercise of his or her Options, pay the Exercise Price in respect of those Options.

## **15. PARTICIPATION RIGHTS, BONUS ISSUES, RIGHTS ISSUES, REORGANISATIONS OF CAPITAL AND WINDING UP**

### **15.1 New Issues**

- (a) Participants are not entitled to participate in any new issue of securities to existing holders of Shares in the Company unless:
  - (i) they have become entitled to exercise their Options under the Plan; and
  - (ii) they do so before the record date for the determination of entitlements to the new issue of securities and participate as a result of being holders of Shares.
- (b) The Company must give Participants, in accordance with the Listing Rules, notice of any new issue of securities before the record date for determining entitlements to the new issue.

### **15.2 Bonus Issues**

If there is a bonus issue ("**Bonus Issue**") to the holders of Shares, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the Holder would have received if the Option had been exercised before the record date for the Bonus Issue ("**Bonus Shares**"). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank pari passu in all respects with the other shares of that class on issue at the date of issue of the Bonus Shares.

### **15.3 Pro Rata Issues**

If there is a pro rata issue (other than a Bonus Issue) to the holders of Shares during the currency of, and prior to the exercise of any Options, the Exercise Price of an Option will be reduced according to the formula provided for in the Listing Rules.

### **15.4 Reorganisation of Capital**

If, prior to the expiry of any Options, there is a reorganisation of the issued capital of the Company, then the rights of a Participant (including the number of Options to which each Participant is entitled and the Exercise Price) is changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

### **15.5 Winding Up**

If, prior to the expiry of any Options, a resolution for a members' voluntary winding up of the Company is proposed (other than the purpose of a reconstruction or amalgamation) the Board may, in its absolute discretion, give written notice to Participants of the proposed resolution. Subject to the Exercise Conditions, the Participants may, during the period referred to in the notice, exercise their Options.

### **15.6 Fractions of Shares**

For the purpose of this clause 15, if Options are exercised simultaneously, then the Participant may aggregate the number of Shares or fractions of Shares for which the Participant is entitled to subscribe. Fractions in the aggregate number only will be disregarded in determining the total entitlement of a Participant.

### **15.7 Calculations and Adjustments**

Any calculations or adjustments which are required to be made under this clause 15 will be made by the Board and, in the absence of manifest error, are final and conclusive and binding on the Company and the Participant.

### **15.8 Notice of Change**

The Company must within a reasonable period give to each Participant notice of any change under clause 15 to the Exercise Price of any Options held by the Participant or to the number of Shares which the Participant is entitled to subscribe for on exercise of an Option.

## **16. AMENDMENTS TO THE RULES**

### **16.1 Board May Alter Rules**

The Board may, subject to clause 16.3 and the Listing Rules, alter, delete or add to these Rules at any time (save for the provisions of clause 4.2).

## **16.2 Alteration of clause 4.2**

The Board may alter clause 4.2 with the prior approval by ordinary resolution of the shareholders of the Company in a general meeting.

## **16.3 Consent of Participants**

If any amendment to be made under clause 16.1 would adversely affect the rights of Participants in respect of any Options then held by them, the Board must obtain the consent of Participants who between them hold not less than 75% of the total number of those Options held by all those Participants before making the amendment.

## **16.4 Eligible Persons Outside Australia**

The Board may make any additions, variations or modifications to the Rules in relation to the implementation of the Plan, and the specific application of the Rules, to Eligible Persons residing outside Australia.

# **17. POWERS OF THE BOARD**

17.1 The Plan shall be administered by the Board who shall have the power to:

- (a) determine appropriate procedures and make regulations for the administration of the Plan which are consistent with these Rules;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with the Plan;
- (c) terminate or suspend the operation of the Plan at any time, provided that the termination or suspension does not adversely affect or prejudice the rights of Participants holding Options at that time;
- (d) delegate those functions and powers it considers appropriate, for the efficient administration of the Plan, to any one or more persons whom the Board reasonably believes to be capable of performing those functions and exercising those powers, for such period and on such conditions as the Board may determine;
- (e) take and rely upon independent professional or expert advice in or in relation to the exercise of any of their powers or discretions under these Rules;
- (f) administer the Plan in accordance with these Rules as and to the extent provided in these Rules; and
- (g) make regulations for the operation of the Plan consistent with these Rules.

## **18. NOTICES**

18.1 Notices may be given by the Company to any Holder either personally or by sending by post to his or her address as noted in the Company's records or to the address (if any) within the Commonwealth of Australia supplied by him to the Company for the giving of notices. Notices for any overseas Holders shall be forwarded and posted by air. Where a notice is sent by post the notice shall be deemed to be served on the day after posting. The signature of any notice may be given by any Director or secretary of the Company. A notice of exercise given under clause 12.3 shall not be deemed to be served on the Company until actually received.

## **19. NO COMPENSATION OR DAMAGES**

19.1 The rights and obligations of any Holder under the terms of his or her employment with the Company are not affected by his or her participation in the Plan.

19.2 These Rules do not form part of, and will not be incorporated into, any contract of engagement or employment between a Holder and the Company.

19.3 No Holder has any rights to compensation or damages as a result of the termination of his or her employment, so far as those rights arise or may arise from the Holder ceasing to have rights under the Plan as a result of the termination.

19.4 Participants do not, as Participants, have any right to attend or vote at general meetings of holders of Shares.

## **20. GOVERNING LAW**

20.1 The Plan and any Options issued under it are governed by the laws of Western Australia and the Commonwealth of Australia.

20.2 Each Participant irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia, the Commonwealth of Australia and courts entitled to hear appeals from those courts.

## **21. ADVICE**

21.1 Eligible Persons should obtain their own independent advice at their own expense on the financial, taxation and other consequences to them of or relating to participation in the Plan.

## **22. DEFINITIONS AND INTERPRETATION**

22.1 In these Rules, unless the context otherwise requires, the following words and expressions shall have the following meanings:

**"Application Form"** means a duly completed and executed application for the issue of Options made by an Eligible Person or Permitted Nominee in respect of an Offer, in the form approved by the Board from time to time;

**"ASX"** means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

**"Bid Period"**, in relation to a takeover bid in respect of shares in the Company, means the period referred to in the definition of that expression in section 9 of the Corporations Act provided that where a takeover bid is publicly announced prior to the service of a bidder's statement on the Company in relation to that takeover bid, the Bid Period shall be deemed to have commenced at the time of that announcement;

**"Board"** means the Directors acting as the board of directors of the Company or a committee appointed by such board of directors;

**"Business Day"** means a day on which banks are open for business in Perth excluding a Saturday, Sunday or public holiday;

**"Certificate"** means the certificate issued in accordance with clause 9 by the Company to a Holder in respect of an Option;

**"Change of Control Event"** means a shareholder, or a group of associated shareholders, becoming entitled to sufficient shares in the Company to give it or them the ability, and that ability is successfully exercised, in general meeting, to replace all or a majority of the Board;

**"Company"** means Universal Resources Limited ACN 090 468 018;

**"Corporations Act"** means *Corporations Act 2001 (Cth)*;

**"Director"** means a director of the Company from time to time but does not include a person who is only a director by virtue of being an alternate director;

**"Eligible Person"** means at any time a person who then is a Director or an employee (whether full-time or part-time) of the Company or of an associated body corporate of the Company;

**"Exercise Condition"** means the performance, vesting or other conditions (if any) determined by the Board and specified in an Offer which are, subject to these Rules, required to be satisfied, reached or met before an Option can be exercised;

**"Exercise Price"** means, in respect of an Option, the subscription price per Share, determined in accordance with clause 6.2, payable by a Holder on exercise of the Option;

**"Expiry Date"** means, in relation to an Option, the date determined by the Board prior to the offer of the relevant Options, subject to any restriction in the Corporations Act from time to time but in any event no longer than 5 years from the Issue Date;

**"Holder"** means, in relation to an Option, the person (whether an Eligible Person or a Permitted Nominee) entered in the Company's register of options as the holder of that Option;

**"Issue Date"** means, in relation to an Option, the date on which the Company grants that Option;

**"Legal Personal Representative"** means the executor of the will or an administrator of the estate of a deceased person, the trustee of the estate of a person under a legal disability or a person who holds an enduring power of attorney granted by another person;

**"Listing Rules"** means the Official Listing Rules of ASX as they apply to the Company from time to time;

**"Market Value"** means, if the Company is admitted to the official list of ASX:

- (a) the weighted average closing sale price of the Shares recorded on the stock market of ASX over the five trading days immediately preceding the day on which the Board resolves to offer an Option; or
- (b) in circumstances where there has been no trading in the Shares during the five trading days immediately preceding the day on which the Board resolves to offer an Option, the last sale price recorded on the stock market of ASX;

**"Offer"** means an invitation to an Eligible Person made by the Company under clause 6.1 to apply for an issue of Options;

**"Official Quotation"** has the meaning ascribed to it in the Listing Rules;

**"Option"** means an option issued under the Plan to subscribe for a Share;

**"Participant"** means a person who holds Options issued under the Plan and includes, if a Participant dies or becomes subject to a legal disability, the Legal Personal Representative of the Participant;

**"Permitted Nominee"** has the meaning given to it by clause 7.2;

**"Plan"** means the Universal Resources Limited Employee Share Option Plan 2008 established in accordance with these Rules;

**"Redundancy"** means, in relation to an Eligible Person, a determination by the Board that the Company's need to employ a person for the particular kind of work carried out by that Eligible Person has ceased (but, for the avoidance of any doubt, does not include the dismissal of an Eligible Person for personal or disciplinary reasons or where the Eligible Person leaves the employ of the Company of his or her own accord);

**"Retirement"** means, in relation to an Eligible Person, retirement by that Eligible Person from the Company at age 60 or over or such earlier age as considered appropriate by the Board;

**"Rules"** means these rules, as amended from time to time;

**"Shares"** means fully paid ordinary shares in the capital of the Company;

**"Specified Reason"** means Retirement, Total and Permanent Disablement, Redundancy or death;

**"Tax"** means any tax, levy, impost, GST, deduction, charge, rate, contribution, duty or withholding which is assessed (or deemed to be assessed), levied, imposed or made by any government or any governmental, semi-governmental or judicial entity or authority together with any interest, penalty, fine, charge, fee or other amount assessed (or deemed to be assessed), levied, imposed or made on or in respect of any or all of the foregoing; and

**"Total and Permanent Disablement"** means, in relation to an Eligible Person, that the Eligible Person has, in the opinion of the Board and with effect on a date determined by the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Eligible Person unlikely ever to engage in any occupation for which he is reasonably qualified by education, training or experience.

22.2 In these Rules, unless a contrary intention appears:

- (a) where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning;
- (b) the singular includes the plural and vice versa;
- (c) a reference to a gender includes all genders; and
- (d) an expression defined in, or given a meaning for the purposes of, the Corporations Act has the same meaning where used in these Rules.