



Notice of Annual General Meeting

The Annual General Meeting of BBX Minerals Limited will be held at the offices of Arthur Phillip Pty Ltd, Level 33, Colonial Centre, 52 Martin Place, Sydney, New South Wales, on 29 November 2012 at 11am (ADST).

This notice of annual general meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting.

Please contact the Company Secretary on 02 9227 8900 if you wish to discuss any matter concerning the Meeting.

BBX Minerals Limited
ABN: 82 089 221 634

Notice of Annual General Meeting

Notice is hereby given that the annual general meeting of the Shareholders of BBX Minerals Limited will be held at the offices of Arthur Phillip Pty Ltd, Level 33, Colonial Centre, 52 Martin Place, Sydney, New South Wales, on 29 November 2012 at 11am (ADST).

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form form part of this Notice of Meeting.

Shareholders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete a Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than 11am on 27 November 2012.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1 of the Explanatory Memorandum.

Agenda

1 ANNUAL REPORT

To receive and consider the financial statements of the Company and the reports of the Directors and Auditors for the financial year ended 30 June 2012.

2 RESOLUTION 1 - REMUNERATION REPORT (NON-BINDING)

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

“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, Shareholders adopt the Remuneration Report set out in the Directors’ Report for the year ending 30 June 2012.”

A voting prohibition statement is set out below.

3 RESOLUTION 2 - RE-ELECTION OF DIRECTOR - MICHAEL JOHN HOGG

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

“That Michael John Hogg, who retires by rotation in accordance with the Company’s Constitution and, offers himself for re-election, be re-elected as a Director.”

4 RESOLUTION 3 - RE-ELECTION OF DIRECTOR - WILLIAM DIX

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

“That William Dix, who retires in accordance with clause 6.1(e) of the Company’s Constitution and, offers himself for re-election, be re-elected as a Director.”

5 RESOLUTION 4 - APPROVAL OF 10% PLACEMENT FACILITY

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

A voting prohibition statement is set out below.

6 RESOLUTION 5 - APPROVAL OF THE BBX INCENTIVE PLAN

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

“That, for the purposes Listing Rule 7.2 (Exception 9(b)) and for all other purposes, Shareholders approve the BBX Incentive Plan on the terms and conditions set out in the Explanatory Memorandum.”

A voting prohibition statement is set out below.

7 RESOLUTION 6 - APPROVAL OF POTENTIAL TERMINATION BENEFITS

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

That, for the purposes of sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve the giving of benefits under the BBX Incentive Plan to a person by the Company in connection with that person ceasing to hold a managerial or executive office in the Company or a related body corporate on the terms set out in the Explanatory Memorandum.

A voting prohibition statement is set out below.

8 RESOLUTION 7 - APPOINTMENT OF AUDITOR

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

“That, for the purposes of section 328B of the Corporations Act and for all other purposes, LachlanNielson Partners Pty Ltd having been nominated by a member of the Company, being qualified to act as auditor of the Company and having consented to act as auditor of the Company, be appointed as auditor of the Company effective upon ASIC giving its consent to the resignation of Robert Nielson Partners.”

9 VOTING PROHIBITION AND EXCLUSION STATEMENT

Corporations Act

The Corporations Act and the Listing Rules prohibits votes being cast (in any capacity) on the following resolutions by any of the following persons:

Resolution	Persons Excluded from Voting
Resolution 1 - Remuneration Report (Non-Binding)	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:</p> <ul style="list-style-type: none">(a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report; or(b) a closely related party of such member. <p>However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none">(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or(b) the voter is the chair of the meeting and the appointment of the chair as proxy:<ul style="list-style-type: none">(i) does not specify the way the proxy is to vote on this Resolution; and(ii) expressly authorises the chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 4- Approval of 10% Placement Facility	A person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities, if the Resolution is passed, and any associate of that person.
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Resolution 5 - Approval of the BBX Incentive Plan	A Director of the Company (Mr Michael Hogg, Mr Michael Leon Schmulian, Mr Philip Suriano and Mr William Dix) and any of their associates.
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Resolution 6 - Approval of potential termination benefits	A person who may participate in the BBX Incentive Plan.
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However and with respect to Resolutions 4 to 6, the Company need not disregard a vote if:

- (a) 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
- (b) 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.

By order of the Board of Directors



Sylvie Dimarco
Company Secretary
BBX Minerals Limited
19 October, 2012

BBX Mineral Limited
ABN: 82 089 221 634

Explanatory Memorandum

2 INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the offices of Arthur Phillip Pty Ltd, Level 33, Colonial Centre, 52 Martin Place, Sydney, New South Wales, on 29 November 2012 at 11am (ADST).

The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding how to vote on the Resolutions set out in the Notice.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice, and includes the following:

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A Proxy Form is located at the end of Explanatory Memorandum.

Please contact the Company Secretary on 02 9227 8900 if you wish to discuss any matter concerning the Meeting.

3 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

3.1 Proxies

All Shareholders are invited and encouraged to attend the Meeting. If a Shareholder is unable to attend in person, they can appoint a representative (or proxy) to attend on their behalf by signing and returning the Proxy Form (attached to the Notice) to the Company in accordance with the instructions on the Proxy

Form. The Company encourages Shareholders completing a Proxy Form to direct the proxy how to vote on each Resolution.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 11am on 27 November 2012. Any Proxy Form received after that time will not be valid for the Meeting.

A Proxy Form may be lodged in the following ways:

By Mail GPO Box 3993, Sydney, New South Wales 2001

By Facsimile +61 2 9290 9655

By Hand Boardroom Pty Ltd, Level 7, 207 Kent Street, Sydney, NSW 2000

Shareholders lodging a Proxy Form are not precluded from attending and voting in person at the Meeting.

3.2 Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Company's share registry (www.boardroomlimited.com.au).

3.3 Eligibility to vote

The Directors have determined that, for the purposes of voting at the Meeting, Shareholders are those persons who are the registered holders of Shares at 11am (ADST) on 27 November 2012.

4 ANNUAL REPORT

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report for the financial year ended 30 June 2012 which is available on the ASX platform at www.asx.com.au;
- (b) ask questions about or make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

The chair of the Meeting will allow reasonable opportunity for the Shareholders as a whole at the Meeting to ask the auditor or the auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the auditor's report;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Company's auditor about:

- (a) the content of the auditor's report to be considered at the Meeting; and
- (b) the conduct of the audit of the annual financial report to be considered at the Meeting,

may be submitted no later than 5 business days before the Meeting to the company Secretary at the Company's registered office.

5 RESOLUTION 1 - REMUNERATION REPORT

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 30 June 2012.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.

The Chairman will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual

general meetings on a resolution that a further meeting is held at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

Less than 25% of the votes cast at the Company's 2011 annual general meeting were cast against the 2011 remuneration report.

Voting on Resolution 1 will be determined by a poll at the Meeting rather than a show of hands.

6 RESOLUTIONS 2 AND 3 - RE-ELECTION OF MESSRS MICHAEL HOGG AND WILLIAM DIX AS DIRECTORS

6.1 Introduction

The Company's Constitution requires that:

- (a) Directors appointed by the Board must retire at the next general meeting following their appointment; and
- (b) one-third of the Directors retire by rotation at each annual general meeting and that Directors appointed by the Board hold office until the next annual general meeting.

6.2 Michael John Hogg

In accordance with rule 6.1(f) of the Constitution Michael John Hogg retires from office at this Meeting and offers himself for re-election.

Details of Mr Hogg's qualifications and experience are set out in the Company's 2011 Annual Report.

6.3 William Dix

The Board appointed Mr Dix as a non-executive Director on 10 October 2012. In accordance with rule 6.1(e) of the Constitution William Dix retires from office at this Meeting and offers himself for re-election.

Mr Dix is a geologist with 18 years' experience in gold, base metal, uranium exploration and mining. He holds a Bachelor of Science and Master of Science (Geology) from Monash University and is a member of AusIMM. In previous roles he has led successful exploration teams that were responsible for significantly growing gold and base metal resources at various companies, including LionOre Mining International.

Mr Dix has a proven track record of successful project and team management and also has extensive experience in commercial activities including capital raisings, mergers, acquisitions and divestments. He is currently the managing director of ASX listed Fitzroy Resources Limited and a non-executive director of Credo Resources Limited

6.4 Directors' recommendation

The Board (excluding Messrs Hogg and Dix with respect to their resolutions) recommends that Shareholders vote in favour of Resolutions 2 and 3.

7 RESOLUTION 4 - APPROVAL OF 10% PLACEMENT FACILITY

7.1 General

The Company seeks Shareholder approval to issue Equity Securities up to 10% of its issued share capital through issues over a 12 month period following Shareholder approval (**10% Placement Facility**).

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 7.3(b) below). The issue price is yet to be determined, but will be no less than 75% of the price of the Equity Securities at the time of any issue.

As the date of this Notice, the Company has 76,421,352 Shares and 18,750,000 Listed Options on issue. As a result, as at the date of this Notice, the Company has a capacity to issue:

- (a) 11,463,202 Equity Securities under Listing Rule 7.1; and
- (b) subject to Shareholders approving Resolution 3, 7,642,135 Equity Securities under Listing Rule 7.1A,

assuming no Options are exercised.

7.2 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 4. This will allow the Company to issue securities and raise funds or acquire assets, whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

7.3 Listing Rule 7.1A

- (a) Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period following shareholder approval by way of a special resolution. The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1.A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalization of \$300 million or less. The Company is an eligible entity.

- (b) Maximum number of Equity Securities which may be issued

The number of Equity Securities which may be issued, or agreed to be issued, under the 10% Placement Facility is prescribed in Listing Rule 7.1A.2 and is calculated as follows:

$$\text{Maximum number of Equity Securities} = (A \times D) - E$$

Where:

“A” the number of shares on issue 12 months before the date of issue or agreement to issue:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that become fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity’s 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

“D” is 10%.

“E” is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The actual number of Equity Securities that may be issued under Listing Rule 7.1A is calculated at the date of issue of the Equity Securities in accordance with the above formula.

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity’s 15% placement capacity under Listing Rule 7.1.

7.4 Specific information by Listing Rule 7.3A

For the purposes of Listing Rule 7.3A, the following information is provided about the proposed issue:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company’s Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,
- or such longer period if allowed by ASX.
- (b) There is a risk of economic and voting dilution to existing Shareholders in approving the 10% Placement Facility, including the risks that:
- (i) the market price for the Company's Equity Securities may be significantly lower of the date of the issue of the Equity Securities than when Shareholders approval the 10% Placement Facility; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date, or issued for non-cash consideration for the acquisition of a new asset.

Following is a table that sets out the potential dilution of existing Shareholders if Equity Securities are issued under the 10% Placement Facility:

Variable "A" in Listing Rule 7.1A.2 (76,421,352 Shares)		Dilution		
		\$0.0475 50% decrease in Share price	\$0.095 Share price	\$0.19 100% increase in Share price
Current Variable A	10% Voting Dilution	7,642,135	7,642,135	7,642,135
	Funds Raised	363,001	726,003	1,452,006
50% increase in current Variable A	10% Voting Dilution	11,463,203	11,463,203	11,463,203
	Funds Raised	544,502	1,089,004	2,178,009
100% increase in current Variable A	10% Voting Dilution	15,284,270	15,284,270	15,284,270
	Funds Raised	726,003	1,452,006	2,904,011

The table has been prepared on the following assumptions:

- (i) The Company issues, or agrees to issue, the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
- (iii) The 10% voting dilution reflects the maximum aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

- (iv) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (v) The issue price is \$0.095 being the closing price of the Shares on ASX on 3 October 2012.

The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (c) The latest date by which Equity Securities may be issued is 12 months after the Meeting. Approval for the issue of Equity Securities under the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Equity Securities may be issued for the following purposes:
 - (i) To raise funds, in which case the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
 - (ii) In consideration of the acquisition of new resources assets and investments, in which case the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities under the 10% Placement Facility.

- (e) The Company is yet to identify the persons to whom Equity Securities will be issued to under the 10% Placement Facility. The Company's policy for allocating Equity Securities issued under the 10% Placement Facility will be determined on a case-by-case basis depending upon the purpose, and prevailing market conditions at the time, of any issue and having regard to factors including but not limited to the following:
 - (i) The fundraising methods available to the Company, including but not limited to, rights issue or other issue which may minimise dilution to Shareholders.

- (ii) In the case of an asset or investment acquisition, the nature and circumstances of the acquisition.
- (iii) The effect of the issue of the Equity Securities on the control of the Company.
- (iv) The financial situation and solvency of the Company.
- (v) Advice from corporate, financial and broking advisers (if applicable).

The allottees may include vendors (in the case of any issue for non-cash consideration), existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) The Company has not previously obtained Shareholder approval under Listing Rule 7.1A.
- (g) A voting exclusion statement is included in the Notice.

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities, and no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

8 RESOLUTIONS 5 AND 6- APPROVAL OF THE BBX INCENTIVE PLAN

8.1 Introduction

The Plan is intended to provide an opportunity to eligible participants to participate in the Company's future growth and provide an incentive to contribute to that growth through the issue of performance rights and options (**Incentive Securities**). The Plan is further designed to assist in attracting and retaining employees.

A copy of the Plan will be made available for inspection at the Meeting. A summary of the Plan is set out in Schedule 2.

8.2 Requirement for Shareholder approval to issue Incentive Securities

Shareholder approval is not required under the Corporations Act or the Listing Rules for the establishment or operation of the Plan, other than with respect to certain benefits given upon certain persons leaving their employment with the Company. However, Shareholder approval is being sought to allow the Company to rely on an exception to the calculation of the 15% limit imposed by Listing Rule 7.1 on the number of securities that may be issued without shareholder approval.

Listing Rule 7.2 exception 9(b) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by shareholders and the issue of securities is within 3 years from the date of

shareholder approval of the issue of securities under the employee incentive scheme.

If an offer is made to a Director to participate in the Plan then separate Shareholder approval will need to be obtained prior to securities being issued to Directors under the Plan.

8.3 Termination benefits

(a) Requirement for shareholder approval

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a managerial or executive office in a company or its related body corporates if the benefit is approved by shareholders or an exemption applies.

The term “benefit” has a wide meaning and may include benefits resulting from the Board exercising certain discretions under the rules of the Plan.

Specifically, where a participant in the Plan has left employment before their Incentive Securities have vested, the Board may exercise its discretion to determine that some or all of the Incentive Securities will vest and to determine the basis on which vesting will occur, having regard to the relevant performance hurdles at the time the participant leaves employment with the Group. The Board does not, however, have discretion to vest any unvested Incentive Securities if the participant has been dismissed for fraudulent or dishonest behaviour. In those circumstances, the participant’s unvested Incentive Securities will lapse.

The exercise of these discretions may constitute a “benefit” for the purposes of section 200B of the Corporations Act.

The Company is therefore seeking Shareholder approval for the exercise of the Board’s discretion in respect of any current or future participant in the Plan who holds:

- (i) a managerial or executive office in the Group at the time of their leaving or at any time in the three years prior to their leaving; and
- (ii) Incentive Securities under the Plan at the time of their leaving.

Provided Shareholder approval is given, the value of these benefits will not be counted towards the cap in the termination benefits that can be given to a participant without Shareholder approval.

The Board’s current intention is to only exercise this discretion:

- (i) where the participant leaves employment without fault on their part; and
- (ii) so as only to preserve that number of unvested Incentive Securities as are prorated to the date of leaving, which then get vested in the

same way as if the employee had remained and only vest to the extent that the performance conditions are met.

(b) Value of the benefits

The value of the termination benefits that the Board may give under the Plan cannot be determined in advance.

This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's share price at the time of vesting and the number of Incentive Securities that the Board decides to vest.

The following additional factors may also affect the benefit's value:

- (i) the participant's length of service and the portion of any relevant performance periods that have expired at the time they leave employment;
- (ii) the participant's total fixed remuneration at the time grants are made under the Plan and at the time they leave employment; and
- (iii) the number of unvested Incentive Securities that the participant holds at the time they leave employment.

8.4 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolutions 5 and 6. This will allow the Company to issue securities for the benefit of participants of the Plan whilst preserving the Company's 15% limit of issuing securities and provide flexibility in the manner in which the Plan is managed, including through the giving of benefits upon an employee's termination.

9 RESOLUTION 7 - APPOINTMENT OF AUDITOR

The Company has previously used Robert Nielson Partners as its auditor. Robert Nielson Partners has merged with another company and is now known as LachlanNielson Partners Pty Ltd.

The Company has received:

- (a) a nomination under section 328B of the Corporations Act from a member of the Company to appoint LachlanNielson Partners Pty Ltd as the Company's auditor (Schedule 3);
- (b) a consent to act as auditor of the Company duly executed by LachlanNielson Partners Pty Ltd, a registered company auditor; and
- (c) a written resignation from Robert Nielson Partners, its existing auditors.

The resignation and replacement of Robert Nielson Partners will, subject to Shareholder approval, take effect upon ASIC giving its consent to the resignation of Robert Nielson Partners.

SCHEDULE 1 DEFINITIONS

In this Notice and Explanatory Memorandum:

ASX	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
BBX Incentive Plan or Plan	means the employee share scheme adopted by the Company and summarised in Schedule 1.
Board	means the board of Directors.
Chairman	means the Chairman of the Meeting.
Constitution	means the constitution of the Company as amended.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended.
Director	means a director of the Company.
Equity Securities	has the same meaning giving in the Listing Rules.
EST	means Eastern Standard Time.
Explanatory Memorandum	means this explanatory memorandum.
Incentive Securities	means a performance right or option to be issued a Share under the Plan.
Listed Options	means an option to purchase a Share which is quoted on the ASX.
Listing Rules	means the listing rules of the ASX.
Meeting	means the meeting convened by this Notice (as adjourned from time to time).
Notice	means this notice of meeting.
Proxy Form	means the proxy form attached to this Notice.
Remuneration Report	means the remuneration report of the Company included in the Directors Report section of the Company's Annual Report.
Resolution	means a resolution set out in the Notice.

Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of a Share.
Trading Days	means a day determined by ASX to be a trading day in accordance with the Listing Rules.
VWAP	means volume weighted average price.
10% Placement Facility	has the meaning given in section 7.1 of this Explanatory Memorandum.

SCHEDULE 2 TERMS OF THE BBX INCENTIVE PLAN

1. The Board may determine which persons are eligible to receive grants of performance rights or options (**Incentive Securities**) under the Plan and may invite eligible persons to participate in the Plan and be granted a number of Incentive Securities on terms and conditions specified by the Board.
2. Incentive Securities will not be quoted and will not be transferable except with the Board's consent or by force of law upon the participant's death.
3. Incentive Securities confer on the participant no rights to vote, attend meetings, participate in a distribution of profit or a return of capital or any other participant rights or entitlements. Thereby and with respect to options issued under the Plan, a participant has no rights to a change in the exercise price of an option or a change to the number of underlying securities over which the option can be exercised except in the event of a bonus issue.
4. In general, Incentive Securities vest when the applicable performance hurdles and vesting conditions are satisfied.
5. On vesting of Incentive Securities and, in the case of options, satisfaction of all exercise conditions, the Company will either issue or transfer to the participant a share in the Company.
6. The Company will apply for quotation on ASX of any shares issued under the Plan. Any shares issued under the Plan will rank equally with those traded on ASX at the time of issue, except as regards any rights attaching to shares by reference to a record date prior to the date of allotment.
7. Participants are not entitled to trade in shares issued on vesting of Incentive Securities without the prior consent of the Board until the earlier to occur of:
 - (a) the expiry of the period specified in the invitation to participate (not being longer than 7 years from the date of grant of the Incentive Securities); and
 - (b) The participant ceasing employment with the Company or one of its related bodies corporate.
8. Unless otherwise determined by the Board:
 - (a) Incentive Securities that do not vest and become exercisable in accordance with the applicable conditions; and
 - (b) options not exercised by the exercise date,will automatically lapse.
9. Where, in the opinion of the Board, a participant acts fraudulently or dishonestly or is in breach of their obligations to the Company or a related body corporate, the Board may deem any unvested Incentive Securities and any unexercised options to have lapsed and any shares issued on vesting of Incentive Securities to be forfeited, or where any shares have been sold by the participant, the Board may require the participant to pay all or part of the net proceeds of that sale to the Company.

10. Upon the cessation of a participant's employment with the Company or a related body corporate:
 - (a) by reason of death, disability, bona fide redundancy or other reason approved by the Board, and at that time the participant continues to satisfy any other relevant conditions of the grant, the Board may determine the:
 - (i) extent to which Incentive Securities held by the participant vest; and
 - (ii) a period of time for the options to be exercised; or
 - (b) for any other reason, all Incentive Securities held by the participant lapse.
11. In the event of a takeover bid for the Company, any Incentive Securities granted to a participant will vest where, in the Board's absolute discretion, pro rata performance is in line with the performance conditions applicable to those Incentive Securities. In addition, in the event of a court-ordered arrangement or compromise, compulsory acquisition following a takeover bid or the winding up of the Company, the Board may, in its absolute discretion, determine that some or all of a participant's Incentive Securities vest if pro rata performance is in line with the performance conditions applicable to those Incentive Securities.
12. If the Company makes a bonus issue of securities to holders of Shares (**Bonus Issue**), then a participant will, upon vesting of Incentive Securities and, in the case of options, satisfaction of all exercise conditions, be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that Bonus Issue if the Incentive Securities had vested and exercised before the record date for the Bonus Issue.
13. If shares in the Company are issued under a bonus issue or there is a reorganisation (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of shares to which a participant is entitled upon vesting of Incentive Securities will be adjusted reconstructed in accordance with the Listing Rules.
14. The Board may amend or add to any of the rules of the Plan or the terms and conditions of any Incentive Securities granted under the Plan, subject to certain restrictions.
15. The Board may establish a trust for the purpose of acquiring and holding shares issued on vesting of an Incentive Securities.

SCHEDULE 3 LETTER OF NOMINATION OF AUDITOR

M L Schmulian
Rua Pôr do Sol, 60
Barra da Tijuca
Rio de Janeiro
Brazil

The Directors
BBX Minerals Limited
Colonial Centre
Level 33, 52 Martin Place
Sydney NSW 2000

9 October 2012

Dear Sirs

NOMINATION OF AUDITOR

I, Michael Schmulian, being a shareholder of BBX Minerals Limited, hereby nominate LachlanNielson Partners Pty Ltd, of Level 7, 280 George Street, Sydney, 2000, NSW to be appointed as auditor of BBX Minerals Limited.

I consent to the distribution of a copy of this notice of nomination as an annexure to the Notice of Meeting for the 2012 Annual General Meeting of BBX Minerals Limited as required by section 328B(3) of the Corporations Act.

Yours faithfully



Michael Schmulian

**FOR ALL ENQUIRIES CALL:**(within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600**FACSIMILE**

+61 2 9290 9655

ALL CORRESPONDENCE TO:Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001
Australia
Your Address

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

YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 11:00am TUESDAY 27 NOVEMBER 2012

TO VOTE BY COMPLETING THE PROXY FORM**STEP 1 Appointment of Proxy**

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

Proxy which is a Body Corporate

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

Appointment of a Second Proxy

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

To appoint a second proxy you must:

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

STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

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

STEP 3 Sign the Form

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

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

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

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

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

STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at **11:00am on Thursday, 29 November 2012**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxies may be lodged using the reply paid envelope or:

BY MAIL - Share Registry – Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia

BY FAX - + 61 2 9290 9655

IN PERSON - Share Registry – Boardroom Pty Limited, Level 7, 207 Kent Street, Sydney NSW 2000 Australia

Attending the Meeting

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

STEP 1 - Appointment of Proxy

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

the Chairman of the Meeting (mark with an 'X') **OR**

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **Annual General Meeting of BBX Minerals Limited to be held at the offices of Arthur Phillip Pty Ltd, Level 33, Colonial Centre, 52 Martin Place, Sydney, NSW 2000 on Thursday 29 November 2012 at 11am** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

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 a Resolution, 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 the Resolutions and that the votes cast by the Chair of the meeting for those Resolutions other than as proxy holder will be disregarded because of that interest. **The Chair intends to vote any such undirected proxies in favour of all Resolutions.** 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 the Resolutions and your votes will not be counted in calculating the required majority if a poll is called on the Resolutions.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (to adopt the Remuneration Report) (except where I/we have indicated a different voting intention below) even though Resolution 1 (to adopt the Remuneration Report) is connected directly or indirectly with the remuneration of a member of key management personnel for the Company, which may include the Chairman.

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

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____ %

STEP 2 - Voting directions to your Proxy – please mark to indicate your directions

Ordinary Business		For	Against	Abstain*
Resolution 1	Remuneration Report (Non- Binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of director – Michael John Hogg	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of director – William Dix	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of the BBX Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of Termination Benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 - PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / / 2012