



**ABN 13 109 289 527**

**NOTICE OF ANNUAL GENERAL MEETING**

**&**

**EXPLANATORY STATEMENT**

**To be held**

At 10.00am, Tuesday, 28 November 2006

**at the**

Duxton Hotel  
1 St George's Terrace  
PERTH WA 6000

**ELECKRA MINES LIMITED**  
ABN 13 109 289 527

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Eleckra Mines Limited will be convened at 10.00am on Tuesday, 28 November 2006 at the Duxton Hotel, 1 St George's Terrace, Perth, Western Australia.

**AGENDA**

**ORDINARY BUSINESS**

**1. Discussion of Financial Statements and Reports**

To discuss the Financial Report, the Directors' Report and Auditor's Report for the year ended 30 June 2006.

**2. Adoption of the Remuneration Report**

To adopt the Remuneration Report for the financial year ended 30 June 2006.

**3. Election of Director – Mr Richard Revelins**

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

*"Mr Richard Revelins appointed a Director since the last General Meeting and being eligible offers himself for election."*

**4. Adoption of Eleckra Mines Limited Directors, Employees and other Permitted Persons Option Plan**

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

*"That for the purposes of ASX Listing Rule 7.2 exception 9 and for all other purposes the adoption and administration of the Eleckra Mines Limited Directors, Employees and Other Permitted Persons Option Plan, described in the Explanatory Statement, a signed copy of which is available to the Meeting, be approved by Shareholders."*

**5. Appointment of Auditor**

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

*"That Stantons International be appointed Auditor of the Company"*.

**GENERAL NOTES**

1. With respect to Agenda Item 2, the vote on this item is advisory only and does not bind the Directors of the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company. The Chairman of the meeting intends to vote undirected proxies in favour of the adoption of the remuneration report.

2. The Company will disregard any votes cast on the resolutions by the following person(s) and any associate of that person(s).

**RESOLUTION 4**

Any director of the company.

However, the Company will 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.

3. The Explanatory Statement to Shareholders attached to this Notice of General Meeting is hereby incorporated into and forms part of this Notice of General Meeting.

4. The Directors have determined in accordance with Regulation 7.11.37 of the Corporations Regulations that, for the purposes of voting at the meeting, shares will be taken to be held by the registered holders at 5.00pm on 24 November 2006.

**BY ORDER OF THE BOARD**



Kevin R Hart  
COMPANY SECRETARY

Dated this 26th day of October 2006.

**EXPLANATORY STATEMENT**

The purpose of the Explanatory Statement is to provide shareholders with information concerning all of the Agenda items in the Notice of Annual General Meeting.

**1. Discussion of Financial Statements & Reports**

Eleckra Mines Limited's financial reports and the directors' declaration and reports and the auditor's report are placed before the meeting thereby giving shareholders the opportunity to discuss those documents and to ask questions. The auditor will be attending the Annual General Meeting and will be available to answer any questions relevant to the conduct of the audit and his report.

**2. Adoption of Remuneration Report**

During this item there will be opportunity for shareholders at the meeting to comment on and ask questions about the remuneration report. The remuneration report is available on pages 29 to 30 of the Annual Report.

The vote on the proposed resolution in item 2 is advisory only and will not bind the directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

A reasonable opportunity will be provided for discussion of the remuneration report at the meeting.

The Chairman of the meeting intends to vote undirected proxies in favour of the adoption of the remuneration report.

The directors recommend that shareholders vote in favour of item 2.

**3. Election of Mr Richard Revelins**  
as an Ordinary Resolution

Mr Revelins has held senior executive positions in merchant banking and stockbroking firms and has acted as an advisor to a number of public companies in such matters as takeovers, mergers and acquisitions, sale of businesses, debt and equity raisings and strategic financial advice.

Mr Revelins is currently Chairman of Atlas Iron Limited. He is a director of Mining Projects Group Limited, Mintails Limited and Cangold Limited (Canada). He is a former Director of IM Medical Limited (resigned 31 March 2005) and Prima Biomed Limited (resigned 30 November 2004).

Mr Revelins is 44 years old and was appointed a director on 23 November 2005.

**4. Adoption of the Eleckra Mines Limited Directors, Employees and other Permitted Persons Option Plan**  
as an Ordinary Resolution

Shareholder approval is being sought for the Company to introduce the Eleckra Mines Limited Directors, Employees and Other Permitted Persons Option Plan ("Plan") the plan has been formulated to comply with ASIC Policy Statement 49 in relation to employee share schemes. This Policy Statement gives disclosure relief from the need to prepare a prospectus for offers of shares and options under compliant schemes.

**Reasons for Plan**

Success for the Company and its Shareholders depends greatly on the people employed by the Company. To maintain and improve performance the Company has an on going need both to motivate and retain an excellent and dedicated team, and to attract new and high quality employees.

The Board believes that the Plan will provide an effective means to achieve these ends, in that the implementation of the Plan will:

- encourage management to focus on creating Shareholder value;
- link employee reward with the achievement of the long term performance of the Company;
- encourage valued employees to remain with the Company by giving them the opportunity to participate in the creation of a valuable personal asset – ie a financial stake in the Company; and
- enable the Company to attract, as required, individuals of high calibre to bring expertise to the organisation.

**EXPLANATORY STATEMENT**

**4. Directors, Employees and Other Permitted Persons Option Plan (cont'd)**

**Description of the Plan**

This section gives a brief outline of the Rules of the Plan.

- (a) **Participation**  
Persons eligible to participate in the Plan are Officers, Employees and other permitted persons of Eleckra Mines Limited or a related body corporate. 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. In making that determination the Directors must consider, where appropriate, matters including record of employment, length of service and seniority.
- (b) **Offer of Options**  
Each offer made by the Board must specify:-
- the number and the exercise price of the Options;
  - that the Eligible Person may accept the whole or any lesser number of Options offered;
  - the period within which the offer may be accepted.

The offer document must also include a copy of the plan and an undertaking that the Company will provide current share information within two business days of a request by an Eligible Person. The offer document must also be provided to ASIC within 7 days after provision of this material to an Eligible Person.

- (c) **Price**  
Options issued under the Plan are issued free of consideration. The exercise price of the Employee Options is not less than 80% of the average trading price of the Company's Shares recorded on ASX over the five trading days immediately proceeding the day on which the Board resolves to offer or issues an Option as the case may be.
- (d) **Acceptance**  
An Eligible Person must, within the period specified in the offer either:-
- accept the whole or any lesser number of Options offered by notice in writing; or
  - nominate a nominee in whose favour the Eligible Person wishes to renounce the offer by notice in writing.
- (e) **Restrictions**  
Any Options issued pursuant to the Plan will automatically lapse and be forfeited if the Eligible Person to which they were issued is dismissed from employment with the Company for a number of reasons including wilful misconduct bringing disrepute on the Company, incompetence in the performance of duties after prior written warning or fraud or dishonesty.

If at any time prior to the latter of a vesting date (if any) or the first anniversary of the date of issue an Eligible Person voluntarily resigns from employment with the Company otherwise than to take up employment with an associate company, or ceases to be an Eligible Person on account of retirement, permanent disability, redundancy or death the whole of the Options issued to that Eligible Person automatically lapse and are forfeited. If at any time after the latter of the vesting date (if any) or the first anniversary date of the issue and prior to the expiry date of any Options an Eligible Person to which they were issued voluntarily resigns from employment with the Company otherwise than to take up employment with an associate company, or cease to be an Eligible Person on account of retirement, permanent disability, redundancy or death the whole of the Options issued to that Eligible Person automatically lapse and are forfeited if that Eligible Person or if appropriate, his Permitted Nominee fails to exercise any or all of those Options within a period of three (3) months from the date provided in the certificate issued by the Company in accordance with the Plan.

The options are not transferable.

- (f) **Administration**  
The Board in its absolute discretion will administer the Plan in accordance with terms and conditions set out in the Plan rules.
- (g) **Number of Options issued under the Plan**  
At the date of this notice no Options have been issued under the Plan.

**5. Appointment of Auditor**

In accordance with the requirements of Section 327B of the Corporations Act 2001 the Directors are seeking ratification of the appointment of Stanton International as the Company's auditor.

Stantons International ABN 41 103 088 697 is an Authorised Audit Company and a member of Russell Bedford Chartered Accountants

## PROXY FORM

The Secretary  
Eleckra Mines Limited  
6 Altona Street  
WEST PERTH WA 6005

Facsimile: (08) 9481 6405

### SHAREHOLDER DETAILS

Name of Shareholder: .....  
(Surname) (Given Names)

Address of Shareholder: .....

I/We being a member(s) of Eleckra Mines Limited, hereby appoint the following person or failing him/her the Chairman of the 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 The Duxton Hotel, 1 St George's Terrace, Perth, Western Australia on Tuesday, 28 November 2006 at 10.00am (and at any adjournment thereof) in the manner indicated below or as he/she thinks fit.

### PROXY'S DETAILS:

Name of Proxy: .....  
(Surname) (Given Names)

Address of Proxy: .....

### INSTRUCTIONS AS TO VOTING – Refer attached Notes to the Proxy Form

If you wish to direct your proxy how to vote with respect to the proposed resolutions, please indicate the manner in which your proxy is to vote by placing a "X" in the appropriate box below, otherwise your proxy will vote or abstain from voting as he/she thinks fit.

If you do not wish to direct your proxy how to vote, please place a mark in the box  By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded of that interest.

### Resolutions:

	For	Against	Abstain
Ordinary business			
1. Adoption of remuneration report.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Mr Richard Revelins.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of the Eleckra Mines Limited Directors, Employees and other permitted persons Option Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Appointment of Auditor.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\* It is the Chairman's intention to vote in favour of all resolutions in relation to undirected proxies.

Note: If you do not mark the box under Proxy Instructions and you have not directed your proxy how to vote, the Chairman of the meeting will not cast your votes on the resolutions and your votes will not be counted in computing the required majority if a poll is called.

*Refer overleaf*

