



**SHAW RIVER MANGANESE LIMITED**  
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**NOTICE OF ANNUAL GENERAL MEETING**

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**The Annual General Meeting of the Company will be held at City West Function Centre, 45 Plaistowe Mews, West Perth, Western Australia 6005 on Friday, 20 January 2012 at 9.30am (WST).**

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# SHAW RIVER MANGANESE LIMITED

## ACN 121 511 886

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### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Shaw River Manganese Limited ("**Company**") will be held at the City West Function Centre, 45 Plaistowe Mews, West Perth, Western Australia 6005 on Friday, 20 January 2012 at 9.30am (WST) (**Meeting**).

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

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 18 January 2012 at 5.00pm (WST).

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

### AGENDA

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#### Financial, Directors' and Auditor's Reports

To receive the Financial Report, Directors' Report and Auditor's Report for the financial year ended 30 June 2011.

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#### 1. Resolution 1 – Remuneration Report

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

*"That the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."*

##### Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the remuneration report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- (a) the person is acting as proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chairman voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel.

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## 2. Resolution 2 – Re-election of Mr Anthony Walsh as a Director

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

*"That Mr Anthony Walsh, who retires in accordance with Article 6.3(c) of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."*

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## 3. Resolution 3 – Re-election of Mr Pieter Jonckheer as a Director

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

*"That Mr Pieter Jonckheer, who retires in accordance with Article 6.3(j) of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."*

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## 4. Resolution 4 – Approve Placement Facility

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

*"That, in accordance with ASX Listing Rule 7.1 and for all other purposes, the Company approves and authorises the Directors to issue up to 100,000,000 Shares at an issue price not less than 80% of the average market price for Shares on the five trading days prior to the date of the issue of the Shares (**Placement Facility**) to institutional and professional and sophisticated investors on the terms and conditions in the Explanatory Memorandum."*

### Voting Exclusion

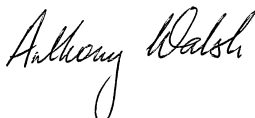
The Company will disregard any votes cast on this Resolution by a person who may participate in the issue and might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if the Resolution is passed, or any associate of that person.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with 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.

Dated: 7 December 2011

By Order of the Board



**Tony Walsh**  
Company Secretary

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# SHAW RIVER MANGANESE LIMITED

## ACN 121 511 886

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### EXPLANATORY MEMORANDUM

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#### 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 City West Function Centre, 45 Plaistowe Mews, West Perth, Western Australia 6005 on Friday, 20 January 2012 at 9.30am (WST) ("Meeting").

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#### 1. Action to be taken by Shareholders

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

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions provided. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

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#### 2. Annual Report

The Corporations Act requires the Annual Report to be laid before the Company's annual general meeting. There is no requirement in either in the Corporations Act or the Constitution for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Financial Report (which includes the financial statements and Directors declaration), the Directors' Report and Auditor's Report;
- (b) ask questions 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.

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

- (d) the preparation and content of the Auditor's Report;
- (e) the conduct of the audit;
- (f) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (g) the independence of the auditor in relation to the conduct of the audit,

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

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#### 3. Resolution 1- Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and

reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of the Company of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act has been amended by the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 (Director and Executive Remuneration Act)* which received the Royal Assent on 27 June 2011 and came into effect on 1 July 2011.

The Director and Executive Remuneration Act introduced new sections 250U and 250Y, amongst others, into the Corporations Act, giving Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting, Shareholders should be aware that if there is a 'no' vote of 25% or more at the next annual general meeting the consequences are that it may result in the re-election of the Board.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chairman will cast all available proxies in favour of Resolution 1.

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#### **4. Resolution 2 – Re-election of Mr Anthony Walsh**

Article 6.3(c) of the Constitution requires that one third of Directors must retire at each annual general meeting and seek re-election at the annual general meeting.

Article 6.3(c) provides that a Director who retires under Article 6.3(c) is eligible for re-election. Pursuant to these Articles, Mr Anthony Michael Walsh will retire and seeks re-election.

A brief resume of Mr Walsh is contained in the Annual Report.

The Board believes that Mr Walsh has performed the duties and responsibilities of a director diligently and professionally and in the best interests of all Shareholders.

The Board unanimously supports the re-election of Mr Walsh.

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#### **5. Resolution 3 – Re-election of Mr Pieter Jonckheer**

Article 6.3(j) of the Constitution gives the Directors authority to appoint other Directors. Mr Jonckheer was appointed a Director on 31 July 2011.

Article 6.3(j) of the Constitution states that any Director appointed in accordance with Article 6.3(j) retire at the next annual general meeting and is eligible for re-election.

Accordingly, Mr Jonckheer retires as a Director at this Meeting and being eligible seeks approval to be re-elected as a Director.

A summary of Mr Jonckheer's experience and qualifications is as follows:

Pieter Jonckheer MBA MSc has extensive experience in the resources industry in positions ranging from operational management to managing director. As President of Raw Materials at Metalcorp group, he is responsible for a diversified portfolio of mining interests, ranging from manganese mining in Namibia, to exploration for bauxite in Guinea. He has a strong operational management background in underground and open pit mining, strategic and regional business development experience and sales and marketing experience predominantly in industrial minerals, ferrous and non-ferrous metals.

Further details in relation to Mr Jonckheer are contained in the Annual Report.

The Board believes that Mr Jonckheer has performed the duties and responsibilities of a director diligently and professionally and in the best interests of all Shareholders.

The Board unanimously supports the re-election of Mr Jonckheer.

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## **6. Resolution 4 – Approve Placement Facility**

### **6.1 General**

Resolution 4 seeks Shareholders' approval pursuant to Listing Rule 7.1 for the Directors to allot and issue the Shares under the Placement Facility.

The effect of passing Resolution 4 will be to allow the Directors to issue the Shares during the three month period after the Meeting (or a longer period, if allowed by ASX), without using up the Company's 15% placement capacity under Listing Rule 7.1. The Company has not yet made any agreement or arrangement to issue the Shares or the number of Shares to be issued (other than the limit of 100,000,000 Shares), and there is no certainty that it will proceed with the issue.

### **6.2 Specific Information Required by Listing Rule 7.3**

For the purposes of Listing Rule 7.3, information regarding the Placement Facility is provided as follows:

- (a) The maximum number of securities the Company can issue under the Placement Facility is 100,000,000 Shares;
- (b) The Shares under the Placement Facility will be issued no later than three months after the date of the Meeting (or such longer period of time as ASX may, in its discretion, allow pursuant to a waiver of Listing Rule 7.3.2);
- (c) The Shares to be issued under the Placement Facility will be issued by the Company at an issue price of at least 80% of the average market price of the Shares. The average is calculated over the last 5 days on which sales in the Shares were recorded before the day on which the issue is made or, if there is a prospectus, product disclosure statement or offer information statement relating to the issue, over the last 5 days on which sales in the Shares were recorded before the date of the prospectus, product disclosure statement or offer information statements is signed;
- (d) As subscriptions to the Placement Facility have not yet been arranged, the allottees will be identified at the Directors' discretion, but will not be related parties or associates of related parties of the Company;

- (e) The Shares to be issued will be fully paid ordinary shares in the capital of the Company;
- (f) The funds proposed to be raised by the Company from this Placement Facility will be used to fund further exploration and feasibility study expenditure on its existing manganese tenements in Namibia, Australia and Ghana, funding drilling on the Company's manganese tenements and maintaining the Company's other tenements in good standing;
- (g) Allotment of the Shares to be issued under the Placement Facility may occur progressively; and
- (h) A voting exclusion statement is included in the Notice.

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## **7. Action to be taken by Shareholders**

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

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions provided. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

## Schedule 1 - Definitions

In this Explanatory Memorandum and Notice:

**Annual Report** means the 2011 Annual Report of the Company and its controlled entities (if any) a copy of which was lodged with the ASX.

**Article** means an article of the Constitution.

**ASIC** means the Australian Securities and Investments Commission.

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

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the board of Directors.

**Company** means Shaw River Resources Limited ACN 121 511 886.

**Constitution** means the Constitution of the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company and **Directors** means the directors of the Company.

**Directors' Report** means the annual directors report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities (if any).

**Explanatory Memorandum** means the explanatory memorandum to the Notice.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities (if any).

**Listing Rules** means the listing rules of ASX.

**Meeting** has the meaning given in the introductory paragraph of the Notice.

**Notice** means this notice of meeting.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Annual Report.

**Resolution** means a resolution contained in this Notice.

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

**Shareholder** means a shareholder of the Company.

**Shaw River** means the Company.

**WST** means Western Standard Time, being the time in Perth, Western Australia.

# SHAW RIVER MANGANESE LIMITED

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## PROXY FORM

The Company Secretary  
Shaw River Manganese Limited

**By delivery:** Ground Floor,  
1205 Hay Street  
West Perth WA 6005

**By post:** PO Box 1259  
West Perth WA 6872

**By facsimile:** (08) 9226 4255

I/We <sup>1</sup> \_\_\_\_\_

of \_\_\_\_\_

being a Shareholder/Shareholders of the Company and entitled to \_\_\_\_\_ votes in the Company:

### Step 1 - Appoint a Proxy to Vote on Your Behalf

**The Chairman of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) 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, as my/our proxy to act generally at the meeting 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, except for Resolution 1), at the Meeting to be held at the City West Function Centre, 45 Plaistowe Mews, West Perth WA 6005 on Friday, 20 January 2012 at 9.30am (WST time) and at any adjournment or postponement of that Meeting.

**Important for Resolution 1** - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default and you have not directed him how to vote on Resolution 1 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote on Resolution 1 in Step 2 below, the Chairman will not cast your votes on Resolution 1 and your votes will not be counted in computing the required majority if a poll is called on this Resolution.

If you appoint the Chairman of the Meeting as your proxy you can direct the Chairman how to vote on Resolution 1 by either marking the relevant boxes in Step 2 below (for example if you wish to vote against or abstain from voting) or by marking this box (in which case the Chairman will vote in favour of Resolution 1 and currently intends to vote in favour of Resolution 1).

**The Chairman of the meeting intends to vote all available proxies in favour of Resolution 1**

I/We (except where I/we have indicated a different voting intention below):

- (a) direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Resolution 1 to vote in favour of this Resolution;
- (b) authorise, in respect of Resolution 1 the Chairman of the Meeting to vote as described even though Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel for the Company; and
- (c) acknowledge that the Chairman of the Meeting may exercise my/our proxy in respect of Resolution 1 as he sees fit even if the Chairman has an interest in the outcome of Resolution 1 and that votes cast by him, other than as proxy holder, would be disregarded because of that interest.

**Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.**

Please read the voting instructions overleaf before marking any boxes with an .

### Step 2 – Instructions as to Voting on Resolutions

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Walsh as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 3 Re-election of Mr Jonckheer as Director


Resolution 4 Approve Placement Facility

The Chairman of the Meeting intends to vote all available proxies in favour of the Resolutions.

**Authorised signature/s** This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

\_\_\_\_\_  
Contact Name

\_\_\_\_\_  
Contact Daytime Telephone

\_\_\_\_\_  
Date

<sup>1</sup>Insert name and address of Shareholder

<sup>2</sup>Insert name and address of proxy

\*Omit if not applicable

**Proxy Notes:**

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at the Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at the Meeting, the representative of the body corporate to attend the Meeting must produce the "Certificate of Appointment of Representative" prior to admission. A form of the certificate may be obtained from the Company's share registry.

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

Joint Holding: Where the holding is in more than one name all of the holders must sign.

Power of Attorney: If signed under a power of attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the power of attorney to this Proxy Form when you return it.

Companies: A director can sign jointly with another director or a company secretary. A sole director who is also a sole company secretary can also sign. Please indicate the office held by signing in the appropriate space.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Perth office of the Company, Ground Floor, 1205 Hay Street, West Perth, WA, 6005, or by post to PO Box 1259, Perth, WA, 6872 or Facsimile (08) 9226 4255 if faxed from within Australia or +618 9226 4255 if faxed from outside Australia) not less than 48 hours prior to the time of commencement of the Meeting (WST).