

AUSTRALIAN ZIRCON NL

ACN 063 389 079

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of the Shareholders of Australian Zircon NL will be held at 52 Ord Street, West Perth, Western Australia on Thursday, 16 December 2010 at 8:00 am (Western Standard Time) for the purpose of transacting the following business.

AGENDA

BUSINESS

Resolution 1 - Removal of auditor

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

"That, for the purposes of section 329(1) of the Corporations Act and for all other purposes, Ernst & Young, be removed as auditor of the Company as at the date of this meeting".

Resolution 2 - Appointment of auditor

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

"That, subject to the passing of Resolution 1, for the purposes of section 327D of the Corporations Act and for all other purposes, the Company appoints Somes and Cooke (having consented in writing to act as auditor of the Company) as auditor of the Company. "

Short Explanation – Resolution 1: Approval is sought under section 329 of the Corporations Act to remove Ernst & Young as auditor of the Company.

Short Explanation – Resolution 2: Approval is sought under section 327D of the Corporations Act to appoint Somes and Cooke as auditors of the Company following the removal of Ernst & Young from office pursuant to Resolution 1.

On 15 October 2010 a notice of request to convene a general meeting to consider a resolution to remove the Company's auditor, Ernst & Young, was served on the Company pursuant to section 329(1A) of the Corporations Act (the "**Notice of Intention**").

Under section 329(3) of the Corporations Act, Ernst & Young is entitled, within 7 days of receipt of the Notice of Intention, to make representations in writing to the Company and request those representations be sent to members prior to the meeting. Ernst & Young did not make any representation pursuant to section 329(3) of the Corporations Act.

Mr Jeremy Shervington, being a Director of the Company, has nominated that Somes and Cooke be appointed as auditor.

Somes and Cooke has consented in writing to act as the Company's auditor.

VOTING AND PROXIES

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 2 December 2010 at 7:00 pm Sydney time.
3. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

By order of the Board



Mr Steve McEwen
Director and Company Secretary

Dated: 8 November 2010

For personal use only

AUSTRALIAN ZIRCON NL ACN 063 389 079
PROXY FORM

APPOINTMENT OF PROXY
AUSTRALIAN ZIRCON NL
ACN 063 389 079

I/We

Being a Member of Australian Zircon NL entitled to attend and vote at the General Meeting, hereby
Appoint

Name of Proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the General Meeting to be held at 52 Ord Street, West Perth, Western Australia on Thursday, 16 December 2010 at 8.00am (WST) and at any adjournment thereof.

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 - Removal of auditor – Ernst & Young	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 - Appointment of auditor-Somes and Cooke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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.

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 _____%

Please return this Proxy Form to the Company Secretary, Australian Zircon NL, Level 4, 41 Currie Street, Adelaide, South Australia, 5000 or by fax to 08 84108885 by 8am (WST) on 14 December 2010.

Signed this _____ day of _____ 2010.

By:

Individuals and joint holders

Signature/s

Companies (affix common seal if appropriate)

Director

Director/Secretary

Sole Director and Sole Secretary

Instructions for Completing Appointment of Proxy Form

1. In accordance with section 249L of the Corporations Act, a shareholder of the Company who is entitled to attend and cast two or more votes at a general meeting of shareholders is entitled to appoint two proxies. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary -that director.For the Company to rely on the assumptions set out in sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with sections 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.
4. Completion of a Proxy Form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.

In accordance with section 250BA of the Corporations Act the Company specifies the following for the purposes of receipt of proxy appointments:

Registered Office: Level 4, 41 Currie Street ,Adelaide,South Australia, 5000

Fax Number: +61 884108885

by no later than 48 hours prior to the time of commencement of the Meeting.