
COVENTRY RESOURCES LIMITED

ACN 082 901 362

NOTICE OF ANNUAL GENERAL MEETING

TIME: 9:00am

DATE: 21 November 2011

PLACE: City West Receptions
45 Plaistowe Mews
WEST PERTH WA 6005

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9324 1266.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the annual general meeting of the Shareholders to which this Notice of Meeting relates will be held at 9:00am on 21 November 2011 at:

City West Receptions
45 Plaistowe Mews
WEST PERTH WA 6005

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7pm on 18 November 2011.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes is set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2011 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2011.”

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

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (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 a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (d) the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MICHAEL HAYNES

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

“That, for the purpose of clause 13.2 of the Constitution and for all other purposes, Michael Haynes, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – FALDI ISMAIL

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

“That, for the purpose of clause 13.2 of the Constitution and for all other purposes, Faldi Ismail, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – SHARES

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 490,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – PLACEMENT – SHARES

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 50,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – OPTIONS

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 3,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – OPTIONS

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 600,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (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 a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (d) the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

8. RESOLUTION 8 – APPROVAL FOR ISSUE OF SCHEME OPTIONS – MICHAEL HAYNES

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

“That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to allot and issue 2.5 million Scheme Options to Michael Haynes pursuant to the Company’s Incentive Option Scheme on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (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 a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and

the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

9. RESOLUTION 9 – APPROVAL FOR ISSUE OF SCHEME OPTIONS – ANTHONY GODDARD

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

“That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to allot and issue 2.5 million Scheme Options to Anthony Goddard pursuant to the Company’s Incentive Option Scheme on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (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 a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and

the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

10. RESOLUTION 10 – APPROVAL FOR ISSUE OF SCHEME OPTIONS – RHOD GRIVAS

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

“That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to allot and issue 500,000 Scheme Options to Rhod Grivas pursuant to the Company’s Incentive Option Scheme on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (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 a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and

the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

11. RESOLUTION 11 – APPROVAL FOR ISSUE OF SCHEME OPTIONS – FALDI ISMAIL

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

"That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to allot and issue 500,000 Scheme Options to Faldi Ismail pursuant to the Company's Incentive Option Scheme on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this resolution by a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (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 a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and

the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

DATED: 21 OCTOBER 2011

BY ORDER OF THE BOARD

**NICHOLAS DAY
COMPANY SECRETARY
COVENTRY RESOURCES LIMITED**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2011 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.coventryres.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

Under recent changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2012 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the [extraordinary] general meeting (**Spill Meeting**) within 90 days of the Company's 2012 annual general meeting. All of the Directors who were in office when the Company's 2012 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2011.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

2.2 Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or any Closely Related Party of that member as your proxy to vote on this Resolution 1, *you must direct the proxy how*

they are to vote. Where you do not direct the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or Closely Related Party of that member on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to this Resolution 1.

2.3 Definitions

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2011.

3. RESOLUTIONS 2 AND 3 – RE-ELECTION OF DIRECTORS – MESSRS MICHAEL HAYNES AND FALDI ISMAIL

Clause 13.2 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

The Company currently has 4 Directors and accordingly 2 must retire.

Messrs Haynes and Ismail, the Directors longest in office since their last election, retire by rotation and seek re-election.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – SHARES

4.1 General

The Company issued 490,000 Shares pursuant to the below agreements:

- (a) On 9 May 2011 the Company entered into an agreement to acquire an option to purchase a 100% interest in a parcel of unpatented claims in the Pattullo Township in Ontario Canada (**Huston/Quevillon Pattullo Option**). As part of the option fee for the acquisition of the Huston/Quevillon Pattullo Option, the Company issued a total of 42,000 Shares to Carl Huston and 18,000 Shares to Michel Quevillon;
- (b) On 15 June 2011 the Company entered into an agreement to acquire an option to purchase a 100% interest in two parcels of unpatented claims in the Nelles Township of the Rainy River District in Ontario Canada (**Rubicon Option**). As part of the option fee for the acquisition of the Rubicon Option, the Company issued 100,000 Shares to Rubicon Minerals Corporation;
- (c) On 17 June 2011 the Company entered into an agreement to acquire an option to purchase a 100% interest in a parcel of unpatented claims in the Nelles Township of the Rainy River District in Ontario Canada (**Huston/Quevillon Nelles Option**). As part of the option fee for the acquisition of the Huston/Quevillon Nelles Option, the Company issued a total of 42,000 Shares to Carl Huston and 18,000 Shares to Michel Quevillon;
- (d) On 4 October 2010 the Company entered into an agreement to acquire an option to purchase a 100% interest in a parcel of land known as the Roy Property (**Roy Option**). As part of the option fee for the acquisition of the Roy Option, the Company issued 27,000 Shares to Sherridon Johnson and 18,000 Shares to Ed Barkauskas, 20,000 Shares of which were issued on 4 October 2010 and a further 25,000 Shares were issued on 4 October 2011; and
- (e) On 28 June 2011, the Company entered into a verbal agreement with Laird Tomalty, Ken Desserre and Teresa Desserre pursuant to which the Company agreed to issue 225,000 Shares in total (150,000 Shares to Laird Tomalty, 50,000 Shares to Ken Desserre and 25,000 Shares to Teresa Desserre) in exchange for their assistance to the Company with the acquisition of the Huston/Quevillon Pattullo Option, the Rubicon Option, the Huston/Quevillon Nelles Option and the Roy Option (**Acquisition Services**).

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares described above (**Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 490,000 Shares were allotted in total;
- (b) the Shares were issued for nil cash consideration as the Shares were issued in consideration for:
 - (i) the acquisition of the Huston/Quevillon Pattullo Option;
 - (ii) the acquisition of the Rubicon Option;
 - (iii) the acquisition of the Huston/Quevillon Nelles Option;
 - (iv) the acquisition of the Roy Option; and
 - (v) the Acquisition Services;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were allotted and issued as follows:
 - (i) 60,000 Shares to Carl Huston and Michel Quevillon (42,000 Shares to Carl Huston and 18,000 Shares to Michel Quevillon) in relation to the Huston/Quevillon Pattullo Option on 30 May 2011;
 - (ii) 60,000 Shares to Carl Huston and Michel Quevillon (42,000 Shares to Carl Huston and 18,000 Shares to Michel Quevillon) in relation to the Huston/Quevillon Nelles Option on 30 June 2011;
 - (iii) 100,000 Shares to Rubicon Minerals Corporation on 30 June 2011;
 - (iv) 20,000 Shares to Sherridon Johnson and Ed Barkauskas (12,000 Shares to Sherridon Johnson and 8,000 Shares to Ed Barkauskas) on 4 October 2010 and 25,000 Shares to Sherridon Johnson and Ed Barkauskas (15,000 Shares to Sherridon Johnson and 10,000 Shares to Ed Barkauskas) on 4 October 2011; and
 - (v) 150,000 Shares issued to Laird Tomalty on 30 June 2011, 50,000 Shares issued to Ken Desserre on 30 June 2011 and 25,000 Shares to Teresa Desserre on 30 June 2011.

None of the above parties were related parties of the Company; and

- (e) no funds were raised from this issue as the Shares were issued in consideration for:
 - (i) the acquisition of the Huston/Quevillon Pattullo Option;
 - (ii) the acquisition of the Rubicon Option;

- (iii) the acquisition of the Huston/Quevillon Nelles Option;
- (iv) the acquisition of the Roy Option; and
- (v) the Acquisition Services.

5. RESOLUTION 5 – PLACEMENT – SHARES

5.1 General

On 13 September 2010 the Company entered into an agreement to acquire an option to purchase an 80% interest in an area of land located adjacent to the Company's 100%-owned Cameron Gold Project known as the Nucanolan Property (**Nucanolan Option**). As part of the option fee for the acquisition of the Nucanolan Option, the Company has agreed to issue 50,000 Shares to King's Bay Gold Corporation (a Canadian incorporated company listed on the Toronto Venture Exchange).

The Nucanolan Property comprises 20 granted mining claims covering 325 hectares. These claims also comprise a granted mining lease.

Resolution 5 seeks Shareholder approval for the allotment and issue of 50,000 Shares in consideration for the Nucanolan Option (**Placement**).

A summary of ASX Listing Rule 7.1 is set out in Section 4.1 above.

The effect of Resolution 5 will be to allow the Directors to issue the Shares pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued is 50,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) the Shares will be issued for nil cash consideration in satisfaction of the acquisition of the Nucanolan Option;
- (d) the Shares will be allotted and issued to:
 - King's Bay Gold Corporation; and
 - who is not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no funds will be raised from the Placement as the Shares are being issued in part consideration for the acquisition of the Nucanolan Option.

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – OPTIONS

6.1 General

On 23 February 2011, the Company issued 3,000,000 Options to Jackie Au Yeung in consideration for consultancy services provided to the Company.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options (**Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 4.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

6.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 3,000,000 Options were allotted;
- (b) the Options were issued for nil cash consideration in satisfaction of consultancy services provided by Jackie Au Yeung;
- (c) the Options were issued on the terms and conditions set out in Schedule 1;
- (d) the Options were allotted and issued to Jackie Au Yeung, who is not a related party of the Company; and
- (e) no funds were raised from this issue as the Options were issued in consideration for consultancy services provided to the Company.

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – OPTIONS

7.1 General

On 8 August 2011 the Company issued 550,000 Options as follows:

Employee	Capacity	Number of Options
Nicholas Day	Company Secretary	200,000
Beverley Nichols	CFO	150,000
Ming Jang	Finance consultant	200,000

On 24 August 2011 the Company issued 50,000 Options as follows:

Employee	Capacity	Number of Options
Ash Mantashi	Site Based Consultant	200,000

The 600,000 Options were issued in consideration for consultancy services provided to the Company.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Consultant Options (**Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 4.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

7.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) A total of 600,000 Options were allotted;
- (b) the Options were issued for nil cash consideration in satisfaction of consultancy services provided by Nicholas Day, Beverley Nichols, Ming Jang and Ash Mantashi to the Company;
- (c) the Options were issued on the terms and conditions set out in Schedule 2;
- (d) the Options were allotted and issued as follows:
 - (i) 200,000 Options to Nicholas Day;
 - (ii) 150,000 Options to Beverley Nichols;
 - (iii) 200,000 Options to Ming Jang; and
 - (iv) 50,000 Options to Ash Mantashi,none of whom were related parties of the Company; and
- (e) no funds were raised from this issue as the Options were issued in consideration for consultancy services provided to the Company.

8. RESOLUTIONS 8 TO 11 – APPROVAL FOR ISSUE OF SCHEME OPTIONS TO DIRECTORS

8.1 General

It is proposed that the following Scheme Options will be issued to Directors pursuant to the Company's Incentive Option Scheme (**Scheme**):

- (a) Mr Michael Haynes (and or his nominee) – 2.5 million Scheme Options;
 - (b) Mr Anthony Goddard (and or his nominee) – 2.5 million Scheme Options;
 - (c) Mr Rhod Grivas (and or his nominee) – 500,000 Scheme Options; and
 - (d) Mr Faldi Ismail (and or his nominee) – 500,000 Scheme Options,
- (together the **Related Parties**).

The main terms of the Scheme are summarised in Schedule 3.

The purpose of the issue of the Scheme Options to the Related Parties is to motivate and reward them for their performance and as an incentive to participate in the Company's future growth.

8.2 Requirement for Shareholder Approval

The grant of the Scheme Options to the Related Parties pursuant to Resolutions 8 to 11 is an issue of securities to directors under an employee incentive scheme and consequently shareholder approval is required for the purposes of ASX Listing Rule 10.14.

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Scheme Options to the Related Parties.

8.3 Principal terms of the Options

It is proposed that the related parties be issued with the following:

- (a) Mr Michael Haynes (and or his nominee) – 2.5 million Scheme Options;
- (b) Mr Anthony Goddard (and or his nominee) – 2.5 million Scheme Options;
- (c) Mr Rhod Grivas (and or his nominee) – 500,000 Scheme Options; and
- (d) Mr Faldi Ismail (and or his nominee) – 500,000 Scheme Options,

The Options will be issued for nil cash consideration and will be exercisable at \$0.26 each expiring on or before the date which is five (5) years from the date of issue. 50% of the Options will vest immediately, whilst the remaining 50% will vest after a further 12 months of service with the Company.

A summary of the terms of the Scheme can be found in Schedule 2.

8.4 Information required pursuant to Chapter 2E of the Corporations Act and Listing Rule 10.15

Pursuant to and in accordance with the requirements of Section 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed grant of the Scheme Options:

- (a) the related parties are Messrs Haynes, Goddard, Grivas and Ismail and they are related parties by virtue of being Directors;

- (b) the maximum number of Scheme Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is:

Related Party	Number
Michael Haynes	2,500,000
Anthony Goddard	2,500,000
Rhod Grivas	500,000
Faldi Ismail	500,000

- (c) the Scheme Options will be granted to the Related Parties (and or their nominees) no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Scheme Options will be issued on one date;
- (d) the Scheme Options will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Scheme Options are set out in Schedule 3 and will be issued subject to the terms of the Scheme which is summarised in Schedule 3. In particular:
- (i) the exercise price of the Scheme Options will be \$0.26;
 - (ii) the expiry date of the Scheme Options will be 5 years from their date of issue;
 - (i) the Scheme Options will be subject to the following vesting conditions:
 - (A) 50% of the Scheme Options will vest immediately; and
 - (B) 50% of the Scheme Options will vest after each of the Related Parties has completed a further 12 months of employment with the Company;
- (f) the value of the Scheme Options and the pricing methodology is set out in Schedule 4;
- (g) the Scheme was previously approved by Shareholders at the Company's AGM on 24 November 2010. No Scheme Options have since been issued under this Scheme (since it was approved on 24 November 2010 up to the date of this Meeting);
- (h) the persons referred to in ASX Listing Rule 10.14 who are entitled to participate in the Scheme are Messrs Haynes, Goddard, Grivas and Ismail;
- (i) no loan has or will be provided to the Related Parties in relation to the subsequent exercise of the Scheme Options;
- (j) the relevant interests of the Related Parties in securities of the Company are set out below:

Related Party	Shares	Options
Michael Haynes	3,891,086	1,258,695
Anthony Goddard	4,358,696	1,369,565
Rhod Grivas	35,000	500,000
Faldi Ismail	300,000	152,516

- (k) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Michael Haynes ¹	\$220,000	\$100,833
Anthony Goddard ²	\$240,000	\$164,995
Rhod Grivas ³	\$44,183	Nil
Faldi Ismail ⁴	\$36,000	\$36,000

- 1) In 2011, Mr Haynes received \$220,000 in consulting fees. In 2010, Mr Haynes received \$100,833 in consulting fees.
- 2) In 2011, Mr Goddard received \$240,000 in consulting fees. In 2010, Mr Goddard received \$164,995 in consulting fees.
- 3) In 2011, Mr Grivas received \$32,083 in director fees and \$12,100 in consulting fees. Mr Grivas was not appointed to the Board until 2 August 2010.
- 4) In 2011, Mr Ismail received \$36,000 in director fees. In 2010, Mr Ismail received \$36,000 in director fees.

- (l) if the Scheme Options granted to the Related Parties are exercised, a total of 6 million Shares would be allotted and issued. This will increase the number of Shares quoted on issue from 165,802,745 to 171,802,745 with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 3.4%, and individual dilution rates of 1.4% for Mr Haynes, 1.4% for Mr Goddard, 0.3% for Mr Grivas, and 0.3% for Mr Ismail;

The market price for Shares during the term of the Scheme Options would normally determine whether or not the Scheme Options are exercised. If, at any time any of the Scheme Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Scheme Options, there may be a perceived cost to the Company;

- (m) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.335	21 December 2010
Lowest	\$0.13	9 August 2011
Last	\$0.20	14 October 2011

- (n) the Board acknowledges the grant of Scheme Options to Messrs Grivas and Ismail is contrary to Recommendation 8.2 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the grant of Scheme Options to Messrs Grivas and Ismail reasonable in the circumstances for the reason set out below;
- (o) the primary purpose of the grant of the Scheme Options to the Related Parties is to provide a performance linked incentive component in the remuneration package for the Related Parties to motivate and reward the performance of the Related Parties in their respective roles as Directors of the Company;
- (p) Mr Haynes declines to make a recommendation to Shareholders in relation to Resolution 8 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 9 to 11, Mr Haynes recommends that Shareholders vote in favour of those Resolutions for the following reasons:
 - (i) the grant of Scheme Options will align the interests of the Related Parties with those of the Shareholders;
 - (ii) the grant of the Scheme Options to the Related Parties is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Options upon the terms proposed;
- (q) Mr Goddard declines to make a recommendation to Shareholders in relation to Resolution 9 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 8 and 10 to 11, Mr Goddard recommends that Shareholders vote in favour of those Resolutions for the reasons set out in subparagraphs (p)(i) to (iii);
- (r) Mr Grivas declines to make a recommendation to Shareholders in relation to Resolution 10 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 8 to 9 and 11, Mr Grivas recommends that Shareholders vote in favour of those Resolutions for the reasons set out in subparagraphs (p)(i) to (iii);
- (s) Mr Ismail declines to make a recommendation to Shareholders in relation to Resolution 11 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 8 to 10, Mr Ismail recommends that Shareholders vote in favour of those Resolutions for the reasons set out in subparagraphs (p)(i) to (iii);
- (t) in forming their recommendations, each Director considered the experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Scheme Options to be granted as well as the exercise price and expiry date of those Scheme Options; and

- (u) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 8 to 11.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Scheme Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of Scheme Options to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

GLOSSARY

\$ means Australian dollars.

Acquisition Services mean the services provided by Laird Tomalty, Ken Desserre and Teresa Desserre to the Company in relation to the acquisition of exploration tenements in Ontario, Canada.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means Coventry Resources Limited (ACN 082 901 362).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Huston/Quevillon Nelles Option means the Company's option to purchase a 100% interest in a parcel of unpatented claims in the Nelles Township of the Rainy River District in Ontario Canada, as described in Section 4.1 of the Explanatory Statement.

Huston/Quevillon Pattullo Option means the Company's option to purchase a 100% interest in a parcel of unpatented claims in the Pattullo Township in Ontario Canada, as described in Section 4.1 of the Explanatory Statement.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of Annual general meeting including the Explanatory Statement and the Proxy Form.

Nucanolan Option means the Company's option to purchase an 80% interest in an area of land located adjacent to the Company's 100%-owned Cameron Gold Project known as the Nucanolan Property, as described in Section 5.1 of the Explanatory Statement.

Option means an option to acquire a Share.

Optionholder means a holder of an Option, a Consultant Option or Scheme Option, as the context requires.

Placement means the placement of 50,000 Shares in consideration for the Nucanolan Option, pursuant to Resolution 5.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Roy Option means the Company's option to purchase a 100% interest in a parcel of land known as the Roy Property, as described in Section 4.1 of the Explanatory Statement

Rubicon Option means the Company's option to purchase a 100% interest in two parcels of unpatented claims in the Nelles Township of the Rainy River District in Ontario Canada, as described in Section 4.1 of the Explanatory Statement.

Scheme Option means an option to acquire a Share, granted pursuant to Resolutions 8 to 11, with the terms and conditions set out in Schedule 3.

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

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 - TERMS AND CONDITIONS OF OPTIONS – JACKIE AU YEUNG

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (WST) on 23 February 2013 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be set in accordance with the vesting conditions in clause (d) (**Exercise Price**).
- (d) Vesting conditions:
 - (i) 1 million options in the Company, exercisable at \$0.28 at any time in the next 2 years;
 - (ii) 1 million options in the Company, exercisable at \$0.35 at any time in the next 2 years. Vest if the Company trades at >\$0.35 per share for 10 consecutive days at any time during 2011; and
 - (iii) 1 million options in the Company, exercisable at \$0.40 at any time in the next 2 years. Issued immediately but only vest if the Company trades at >\$0.40 per share for 10 consecutive days at any time during 2011.
- (e) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (f) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,(collectively, **Exercise Notice**);
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (h) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (i) The Options are freely transferable.
- (j) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (k) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.

- (l) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (m) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (n) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 2 – TERMS AND CONDITIONS OF OPTIONS TO CONSULTANTS

The material terms and conditions of the Consultant Options are as follows:

- (a) Each Consultant Option entitles the holder to subscribe for one Share in the Company.
- (b) The Consultant Options are issued in accordance with the vesting terms in (d) below and are exercisable on or before 5pm on:
 - (i) in respect of the Consultant Options held by Nicholas Day, Beverly Nichols and Ming Jang, 8 August 2014; and
 - (ii) in respect of the Consultant Options held by Ash Mantashi, 24 August 2014,

(respectively, **Expiry Date**) by completing an option exercise form and delivering it to the Company's registered office with the exercise monies.
- (c) The option exercise price is \$0.20 per Share.
- (d) In respect of the Consultant Options:
 - (i) held by Nicholas Day, Beverly Nichols and Ming Jang, 50% will vest on 8 August 2011 and 50% will vest on 8 August 2012; and
 - (ii) held by Ash Mantashi, 50% will vest on 24 August 2011 and 50% will vest on 24 August 2012.
- (e) The Consultant Options are transferable, with prior approval of the Board.
- (f) There are no participating rights or entitlements inherent in the Consultant Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Consultant Options.
- (g) If the Company makes a pro rata issue of securities (except a bonus issue) to the holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Option Exercise Price shall be reduced according to the formula specified in the Listing Rules.
- (h) In the event of a bonus issue of Shares being made pro rata to Shareholders, (other than an issue in lieu of dividends), the number of Shares issued on exercise of each Consultant Option will include the number of bonus Shares that would have been issued if the Consultant Option had been exercised prior to the record date for the bonus issue. No adjustment will be made to the exercise price per Share of the Consultant Option.
- (i) Shares allotted pursuant to Consultant Options will in the case of the Shares originally under option, rank pari passu in all respects with other ordinary shares of the Company on issue at the relevant exercise date; and in the case of any additional shares or other securities under option by virtue of any bonus issue referred to in (h), rank pari passu with the other shares or other securities issued by virtue of the bonus issue.

(j) **Cessation of employment**

If the Option Holder ceases to render services to, the Company or an Associated Body Corporate for any reason (other than by death, permanent disability or permanent retirement from the workforce) prior to the lapse of the Options, and the exercise conditions attaching to the Scheme Options have been met, the Option Holder will be entitled to exercise their Options for a period of up to 60 days after the date of the cessation event.

(k) **Death, permanent disability or retirement**

If the Option Holder dies, becomes permanently disabled or permanently retires from the workforce as a renderer of services to the Company prior to the lapse of the Options, the Options Holder, or the participant's legal personal representative, will be entitled to exercise their Options commencing on the date of the cessation event and ending on the first to occur of the date of lapsing of the Options and the date which is six months after the date of the cessation event.

(l) Consultant Options will not be quoted on ASX. However, application will be made to ASX for official quotation of the Shares allotted pursuant to the exercise of Consultant Options if the Company's Shares are listed on ASX at that time.

(m) If any of the following events occur:

- (i) the Company is subject to a takeover bid;
- (ii) the Company proposes a scheme of arrangement with its members under Part 5.1 of the Corporations Act; or
- (iii) a person, or group of associated persons, becomes entitled to sufficient Shares to give him or them the ability, in general meeting, to replace all or a majority of the Board, where such ability was not already held by a person associated with such a person or group of persons,

then the Board may:

- (iv) determine that Consultant Options may be exercised at any time from the date of such event so as to permit the holder to participate in the change of control arising from the event; or
- (v) use its reasonable endeavours to procure that an offer is made to holder of Consultant Options on like terms to the terms proposed in such event.

SCHEDULE 3 – TERMS AND CONDITIONS OF SCHEME

The material terms and conditions of the Scheme are as follows:

(a) **Eligibility**

The Board may invite full or part time employees and directors of the Company or an Associated Body Corporate of the Company to participate in the Scheme. Participants may also include:

- (i) casual employees where:
 - (A) the casual employee has worked for the company for more than one year; and
 - (B) the employer regards the employee as equivalent to part time employees; and
 - (ii) contractors where the contractor has:
 - (A) worked for the company for more than one year; and
 - (B) received 80% or more of their income in the preceding year from the company,
- ((a)(i) and (ii) together, the **Eligible Employee**).

Eligible Employees do not possess any right to participate in the Scheme, as participation is solely determined by the Board.

Please note that the Company is currently seeking relief under Section 741(1) of the Corporations Act to modify the Corporations Act as it applies to the Company so that the Company can make offers to casual employees and contractors under the Scheme.

(b) **Offer of Scheme Options**

The Scheme will be administered by the Board which may, in its absolute discretion, offer Scheme Options to any Eligible Employee from time to time as determined by the Board and, in exercising that discretion, may have regard to some or all of the following considerations:

- (i) the Eligible Employee's length of service with the Company;
- (ii) the contribution made by the Eligible Employee to the Company;
- (iii) the potential contribution of the Eligible Employee to the Company; or
- (iv) any other matter the Board considers relevant.

(c) **Number of Scheme Options**

The number of Scheme Options to be offered to an Eligible Employee will be determined by the Board in its discretion and in accordance with the rules of the Scheme and applicable law.

(d) **Conversion**

Each Scheme Option is exercisable into one Share in the Company ranking equally in all respect with the existing issued Shares in the Company.

(e) **Consideration**

Scheme Options issued under the Scheme will be issued for no consideration.

(f) **Exercise price**

The exercise price for Scheme Options offered under the Scheme will be determined by the Board.

(g) **Exercise conditions**

The Board may impose conditions, including performance-related conditions, on the right of a participant to exercise Scheme Option granted under the Scheme.

(h) **Exercise of Scheme Options**

A participant in the Scheme will be entitled to exercise their Scheme Options in respect of which the exercise conditions have been met provided the Scheme Options have not lapsed and the exercise of the Scheme Options will not result in the Company contravening ASIC Class Order 03/184. A holder may exercise Scheme Options by delivering an exercise notice to the Company secretary along with the Scheme Options certificate, and paying the applicable exercise price of the Scheme Options multiplied by the number of Scheme Options proposed to be exercised.

Within ten Business Days of receipt of the required items, the Company will, subject to the ASX Listing Rules, issue to the participant the relevant number of Shares.

(i) **Cessation of employment**

If the participant in the Scheme ceases to be an employee or director of, or render services to, the Company or an Associated Body Corporate for any reason (other than by death, permanent disability or permanent retirement from the workforce) prior to the lapse of the Scheme Options, and the exercise conditions attaching to the Scheme Options have been met, the participant will be entitled to exercise their Scheme Options in accordance with the Scheme for a period of up to 60 days after the date of the cessation event.

(j) **Death, permanent disability or retirement**

If the participant in the Scheme dies, becomes permanently disabled or permanently retires from the workforce as an employee or director of the Company prior to the lapse of the Scheme Options, the participant, or the participant's legal personal representative, will be entitled to exercise their Scheme Options in accordance with the Scheme rules for the period commencing on the date of the cessation event and ending on the first to occur of the date of lapsing of the Scheme Options and the date which is six months after the date of the cessation event.

(k) **Lapse of Scheme Options**

Scheme Options held by a participant in the Scheme will lapse immediately if:

- (i) the Scheme Options have not been exercised by the date which is two years after the date of issue, or such other date as the Board determines in its discretion at the time of issue of the Scheme Options;
- (ii) the exercise conditions attaching to the Scheme Conditions are unable to be met; or

- (iii) the holder ceases to be an employee or director of the Company or an Associated Body Corporate and the deadline set out in paragraph (i) or (j) has passed.

(l) **Participation in Rights Issues and Bonus Issues**

The Scheme Options granted under the Scheme do not give the holder any right to participate in rights issues or bonus issues unless Shares are allotted pursuant to the exercise of the relevant Scheme Options prior to the record date for determining entitlements to such issue. The number of Shares issued on the exercise of Scheme Options will be adjusted for bonus issues made prior to the exercise of the Scheme Options in accordance with the Listing Rules.

(m) **Reorganisation**

The terms upon which the Scheme Options will be granted will not prevent the Scheme Options being reorganised as required by the ASX Listing Rules on the reorganisation of the capital of the Company.

(n) **Limitation on offers**

If the Company makes an offer under the Scheme where:

- (i) the total number of Shares to be received on exercise of Scheme Options the subject of that offer exceeds the limit set out in ASIC Class Order 03/184; or
- (ii) the Offer does not otherwise comply with the terms and conditions set out in ASIC Class Order 03/184,
- (iii) the Company must comply with Chapter 6D of the Corporations Act at the time of that offer.

(o) **Trigger event**

If any of the following events occur:

- (i) the Company is subject to a takeover bid;
- (ii) the Company proposes a scheme of arrangement with its members under Part 5.1 of the Corporations Act; or
- (iii) a person, or group of associated persons, becomes entitled to sufficient Shares to give him or them the ability, in general meeting, to replace all or a majority of the Board, where such ability was not already held by a person associated with such a person or group of persons,

then the Board may:

- (iv) determine that Scheme Options may be exercised at any time from the date of such event so as to permit the holder to participate in the change of control arising from the event; or
- (v) use its reasonable endeavours to procure that an offer is made to holder of Scheme Options on like terms to the terms proposed in such event.

SCHEDULE 4 – VALUATION OF OPTIONS

The Options to be issued to the Related Parties pursuant to Resolutions 8 to 11 have been independently valued.

Using the Black & Scholes option model and based on the assumptions set out below, the Related Party Options were ascribed the following value:

Assumptions:			
Valuation date	3 October 2011		
Market price of Shares	18 cents		
Exercise price	26 cents		
Expiry date (length of time from issue)	5 years from the date of issue being 20 November 2011		
Risk free interest rate	3.73%		
Volatility	50%	84%	100%
Indicative value per Related Party Option (post 20% discount)	5.35 cents	8.94 cents	10.26 cents
Total Value of Related Party Options	\$321,000	\$536,400	\$615,600

Note: The valuation noted above is not necessarily the market price that the Related Party Options could be traded at and is not automatically the market price for taxation purposes.

PROXY FORM

**APPOINTMENT OF PROXY
COVENTRY RESOURCES LIMITED
ACN 082 901 362**

ANNUAL GENERAL MEETING

I/We

of

being a member of Coventry Resources Limited entitled to attend and vote at the Annual General Meeting, hereby
Appoint

Name of proxy

OR the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 9:00am (WST), on 21 November 2011 at City West Receptions, 45 Plaistowe Mews, WEST PERTH WA 6005, and at any adjournment thereof.

"Important for Resolution 1: If the Chair of the Meeting or any member of the Key Management Personnel of the Company whose remuneration details are included in the Remuneration Report or a Closely Related Party of that member is your proxy and you have not directed the proxy to vote on Resolution 1, the proxy will be prevented from casting your votes on Resolution 1. If the Chair, another member of the Key Management Personnel of the Company whose remuneration details are included in the Remuneration Report or Closely Related Party of that member is your proxy, in order for your votes to be counted on Resolution 1, you must direct your proxy how to vote on Resolution 1."

If the Chair of the Annual General 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 **Resolutions 2 to 11** please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 2 to 11 and that votes cast by the Chair of the Annual General Meeting for Resolutions 2 to 11 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolutions 2 to 11 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 2 to 11.

If no directions are given, the Chair will vote in favour of all the Resolutions in which the Chair is entitled to vote undirected proxies.

OR

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Michael Haynes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Director – Faldi Ismail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Ratification of Prior Issue – Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Placement – Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Ratification of Prior Issue – Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Ratification of Prior Issue – Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Approval for Issue of Options – Michael Haynes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Approval for Issue of Options – Anthony Goddard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 – Approval for Issue of Options – Rhod Grivas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11 – Approval for Issue of Options – Faldi Ismail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will 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 _____%

Signature of Member(s): _____ **Date:** _____

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

COVENTRY RESOURCES LIMITED
ACN 082 901 362

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) hand to the Company's registered office at Level 2, 675 Murray Street, West Perth, Western Australia; or
 - (b) post to the Company, PO Box 457 West Perth, Western Australia, 6872; or
 - (c) by facsimile to the Company on facsimile number +61 8 9226 2027.

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.