

GOLDPHYRE RESOURCES LIMITED
ABN 58 149 390 394

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

AND

PROXY FORM

Date of Meeting

26 November 2013

Time of Meeting

10:00 am

Place of Meeting

Ground Floor
20 Kings Park Road
WEST PERTH WA 6005

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

*The **2013 Annual Report** may be viewed on the Company's website at www.goldphyresources.com.au*

**GOLDPHYRE RESOURCES LIMITED
ABN 58 149 390 394
NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Shareholders of Goldphyre Resources Limited (**Company**) will be held at Ground Floor 20 Kings Park Road, West Perth, Western Australia on 26 November 2013 at 10:00 am for the purpose of transacting the following business.

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

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the glossary contained in the Explanatory Memorandum.

2013 Financial Statements

To receive the financial statements of the Company for the year ended 30 June 2013, consisting of the annual financial report, the Directors' report and the auditor's report.

Resolution 1 – Re-election of Ron Punch as a Director

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

"That Ron Punch, having retired as a Director of the Company in accordance with the Company's Constitution and, being eligible, having offered himself for re-election, be re-elected a Director of the Company."

Short Explanation: Pursuant to the Company's Constitution, one-third of the Directors of the Company (other than the Managing Director) must retire at each AGM and, being eligible, may offer themselves for re-election at that AGM.

Resolution 2 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following **advisory only resolution**:

"That, for the purposes of Section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 2013 Annual Report be and is hereby adopted."

Short Explanation: Section 250R of the Corporations Act requires a listed company to put to Shareholders at each AGM a resolution adopting the report on the remuneration of the Company's key management personnel included in the Company's Annual Report. The above Resolution is being proposed to comply with this requirement. The vote on this Resolution is advisory and neither binds the Company's Directors nor the Company. A reasonable opportunity will be provided to Shareholders for discussion of the Remuneration Report at the AGM.

Voting Prohibition Statement:

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

- a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- a Closely Related Party of such a member.

However, a person (the **voter**) described above and either:

- the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- the voter is the Chair and the appointment of the Chair as proxy:
 - does not specify the way the proxy is to vote on this Resolution; and
 - expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly with the remuneration of the member of the Key Management Personnel.

Resolution 3 – Approval of 10% Placement Facility

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

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

Voting Prohibition: For the purposes of Listing Rule 7.3 the Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with directors on the Proxy Form; or
- (b) it is cast by the Chairman 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.

A Proxy Form is attached.

To be valid, properly completed Proxy Forms must be received by the Company no later than 10:00 am (WST) 24 November 2013:

- by post to:
Security Transfer Registrars
PO Box 535
Applecross WA 6953
- by facsimile on +93152233
- by email to registrar@securitytransfer.ccm.au

By order of the Board



John Ribbons
Company Secretary
Date: 9 October 2013

PROXIES

A Shareholder entitled to attend and vote at the above meeting may 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.

A proxy may, but need not be, a Shareholder of the Company.

The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, either under seal or under hand of an officer duly authorised.

The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and reach the registered office of the Company at least 48 hours prior to the meeting. For the convenience of Shareholders a Proxy Form is enclosed.

ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 5:00 pm Perth time on 22 November 2012 will be entitled to attend and vote at the AGM.

CORPORATIONS

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company before the meeting.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the Shareholders of Goldphyre Resources Limited ABN 58 149 390 394 (**Company**) in connection with the business to be conducted at the Annual General Meeting of the Company to be held at Ground Floor, 20 Kings Park Road, West Perth, Western Australia, on 26 November 2013 commencing at 10:00 am.

This Explanatory Memorandum should be read in conjunction with, and form part of, the accompanying notice.

The Directors' recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum will, unless the context otherwise requires, have the same meaning given to them in the glossary as contained in this Explanatory Memorandum.

At the AGM, Shareholders will be asked to consider the following Resolutions:

- re-electing Mr Ron Punch as a Director, who retires by rotation in accordance with the Company's Constitution;
- adopting the Remuneration Report; and
- approving 10% Placement Facility.

Financial and Other Reports

As required by Section 317 of the Corporations Act, the financial statements for the year ended 30 June 2013 and the accompanying Directors' report, Directors' declaration and auditor's report will be laid before the meeting.

Neither the Corporations Act, nor the Company's Constitution requires a vote on the reports. However, the Shareholders will have an opportunity to ask questions about the reports at the AGM.

Resolution 1 – Re-election of Ron Punch as a Director

1.1 Introduction

Ron Punch was appointed as a Non-Executive Director on 6 April 2011.

In accordance with Listing Rule 14.4, no director of the Company may hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever period is longer. The Company's Constitution also requires that one third of the Company's directors must retire at each AGM. Accordingly, Mr Punch will retire by rotation and, being eligible, offers himself for re-election.

Resolution 1 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

1.2 Director's Biography

Mr Punch has had considerable banking, financial markets, stock broking and corporate experience. He started his career with Westpac (formerly Bank of New South Wales) and then the Reserve Bank of Australia. Mr Punch joined Patersons Stockbrokers in 1969 and was involved in portfolio management, underwriting, corporate and general advising and broking roles. He is also a former Chairman of the Perth Stock Exchange and its Listing Committee.

1.3 Directors' Recommendation

All the Directors except Mr Punch recommend that Shareholders vote in favour of Resolution 1.

Resolution 2 – Adoption of Remuneration Report

2.1 Introduction

As required by the Corporations Act, the Board is presenting the Remuneration Report to Shareholders for consideration and adoption by a non-binding vote.

The Remuneration Report, which is part of the 2013 Annual Report, has been sent to Shareholders who have made an election to receive the Annual Report. Copies of the 2013 Annual Report are available by contacting the Company's share register or visiting the Company's web site www.goldphyresources.com.au.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast are against adoption of the Remuneration Report at the 2013 AGM, and then again at the 2014 AGM, the Company will be required to put a resolution to the 2014 AGM to approve calling an extraordinary general meeting (**spill resolution**). If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene an extraordinary general meeting (**spill meeting**) within 90 days of the 2014 AGM. All of the Directors who were in office when the 2014 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the spill meeting.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Key Management Personnel, sets out remuneration details for each member of the Key Management Personnel, details any service agreements and sets out the details of any share based compensation.

2.2 Voting on this Resolution

In accordance with section 250R of the Corporations Act, a vote on Resolution 2 must not be cast (in any capacity) by or on behalf 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 cast a vote on Resolution 2 as a proxy if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed in writing that directs how the proxy is to vote on Resolution 2; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy:
 - (i) does not specify the way the proxy is to vote on Resolution 2; and
 - (ii) expressly authorises the Chairman to exercise the proxy even if Resolution 2 is connected directly or indirectly with the remuneration of the key management personnel.

2.3 Additional Information

In addition to the audited information contained in the Remuneration Report included within the Annual Report, the Directors believe the unaudited financial information contained in the following table will be beneficial to shareholders in understanding the salary and fees paid during the 2013 financial year.

	\$
Director fees paid for the 2013 financial year:	
Ron Punch	50,000
Brenton Siggs	33,333
Christopher Clegg	33,333
Russell Lynton-Brown (resigned 21 January 2013)	20,000
Total	136,666
Other fees paid to Reefus Geology Services (a business controlled by Brenton Siggs) for the 2013 financial year:	
Exploration management services	224,715
Geological services: safety/technical/environment	11,403
Geological services: 4WD vehicle hire	5,355
Geological services: Sked/safety monitoring	1,500
Geological services: Data entry	2,600
Geological services: consumables	15,531
Total	261,103

Effective from 1 July 2013, the Board resolved to reduce director fees to \$20,000 per annum for each Director, pending recapitalisation of the Company.

Resolution 3 – Approval of 10% Placement Facility

3.1. General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the AGM (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

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

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 3.2(c) below).

3.2. Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an AGM.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue two classes of Equity Securities, Shares and Unlisted Options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the AGM, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that became fully paid in the 12 months;
- (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (iv) less the number of fully paid shares cancelled in the 12 months.

D is 10%;

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

(d) Listing Rule 7.1 and Listing Rule 7.1A

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

At the date of this Notice, the Company has on issue 29,402,010 Shares and therefore has a capacity to issue:

- (i) 4,801 Equity Securities under Listing Rule 7.1; and
- (ii) Subject to Shareholder approval being sought under Resolution 3, 2,940,201 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 3.2(c) above).

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

3.3. Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

3.4. Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (i) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (ii) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The tables below show the dilution of existing Shareholders on the basis of the current market price of Shares and: (i) Table 1, the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice; and (ii) Table 2, the number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 following the assumed issue of Shares contemplated by resolution 2 contained in the Notice of General Meeting dated 25 September 2013 for the general meeting of the Company to be held on 31 October 2013.

Each of the tables shows:

- (i) two examples where variable “A” has increased by 50% and 100%. For Table 1, Variable “A” is based on the number of ordinary securities the Company has on issue. For Table 2, Variable “A” is based on the number of ordinary securities the Company has on issue, plus 21,330,000 Shares to be issued if resolution 2 contained in the Notice of General Meeting dated 25 September 2013 for the general meeting of the Company to be held on 31 October 2013 is passed. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders’ meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Table 1 – Ordinary Securities Currently on Issue

Variable “A” in Listing Rule 7.1A.2		Dilution		
		\$0.0145 50% decrease in Issue Price	\$0.029 Issue Price	\$0.058 100% increase in Issue Price
Current Variable A 29,402,010 Shares	10% voting dilution	2,940,201 Shares	2,940,201 Shares	2,940,201 Shares
	Funds raised	\$42,632	\$85,265	\$170,531
50% increase in current Variable A 44,103,015 Shares	10% voting dilution	4,410,301 Shares	4,410,301 Shares	4,410,301 Shares
	Funds raised	\$63,949	\$127,898	\$255,797
100% increase in current Variable A 58,804,020 Shares	10% voting dilution	5,880,402 Shares	5,880,402 Shares	5,880,402 Shares
	Funds raised	\$85,265	\$170,531	\$341,063

Table 1 has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Listed Options.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder’s holding at the date of the Meeting.
- (v) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The use of Equity Securities under the 10% Placement Facility consists only of Shares.
- (vii) The issue price is 2.9 cents, being the closing price of the Shares on ASX on 9 October 2013.

Table 2 – Ordinary Securities Currently on Issue Plus Shares to be Approved at the 31 October 2013 General Meeting of the Company

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.0145 50% decrease in Issue Price	\$0.029 Issue Price	\$0.058 100% increase in Issue Price
Assumed Variable A 50,732,010 Shares	10% voting dilution	5,073,201 Shares	5,073,201 Shares	5,073,201 Shares
	Funds raised	\$73,561	\$147,122	\$294,245
50% increase in assumed Variable A 76,098,015 Shares	10% voting dilution	7,609,801 Shares	7,609,801 Shares	7,609,801 Shares
	Funds raised	\$110,342	\$220,684	\$441,368
100% increase in assumed Variable A 101,464,020 Shares	10% voting dilution	10,146,402 Shares	10,146,402 Shares	10,146,402 Shares
	Funds raised	\$147,122	\$294,245	\$588,491

Table 2 has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No Listed Options.
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the assumed issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iv) The assumed issued share capital includes Ordinary Securities currently on issue plus 21,330,000 Shares to be issued if Resolution 2 contained in the Notice of General Meeting dated 25 September 2013 for the general meeting of the Company to be held on 31 October 2013 is passed.
 - (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder's holding at the date of the Meeting.
 - (vi) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vii) The use of Equity Securities under the 10% Placement Facility consists only of Shares.
 - (viii) The issue price is 2.9 cents, being the closing price of the Shares on ASX on 9 October 2013.
- (c) The Company will only issue and allot the Equity Securities during the Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of new projects. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards continued exploration expenditure on the Company's current assets and/or general working capital.

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

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors including but not limited to the following:

GOLDPHYRE RESOURCES LIMITED

Notice of Annual General Meeting 26 November 2013

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new projects, it is likely that the allottees under the 10% Placement Facility will be the vendors.

- (e) The Company has previously obtained Shareholder approval under ASX Listing Rule 7.1A at its AGM held on 27 November 2012.

In accordance with Listing Rule 7.3A.6 the total number of Equity Securities issued in the 12 months preceding the date of this notice of meeting is 4,005,000 representing 8.32% of the Equity Securities on issue at the commencement of the 12 month period.

Additionally, Resolution 2 contained in the Notice of General Meeting dated 25 September 2013 for the general meeting of the Company to be held on 31 October 2013, contemplates the issue of 31,995,000 Equity Securities. On the assumption that this resolution is passed, the total number of Equity Securities issued in the 12 months preceding the date of this Annual General Meeting is 36,000,000 representing 74.81% of the Equity Securities on issue at the commencement of the 12 month period.

The Company has issued the following equity securities in the 12 months preceding the date of this Notice, or may issue the following equity securities prior to the date of the Annual General Meeting:

Date of Issue	Number of Securities	Class	Issue Price	Discount to Market price	Total Consideration	Issued to	***Value
26/9/2013	2,670,000 1,335,000	Ordinary Shares * Options (Annexure A)	\$0.025 Nil	Nil Nil	\$66,750	Clients of Hartleys Limited	N/A \$12,949
**31/10/2013	21,330,000 10,665,000	Ordinary Shares * Options (Annexure A)	\$0.025 Nil	Nil Nil	\$533,250	Clients of Hartleys Limited	N/A \$103,450

* Unlisted Options are free attaching options issued pursuant to the Placement to clients of Hartleys Limited. The terms and conditions of the Unlisted Options are detailed in Annexure A accompanying this Notice of Meeting.

** These securities, the subject of Resolution 2 contained in the Notice of General Meeting dated 25 September 2013 for the general meeting of the Company to be held on 31 October 2013, may be issued prior to the date of the Annual General Meeting if the resolution is passed.

***The value of Option is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the expected volatility of the underlying Shares and risk free rate interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).

In the 12 months preceding the date of this Notice of Meeting, the Company has not yet spent the funds it has raised. It intends to spend the funds raised from the issue on working capital and the Company's 100% owned Lake Wells, Laverton Downs, Mailman Hill and Gambier Lass Projects in Western Australia.

- (f) A voting exclusion statement is included in the Notice.

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

GLOSSARY

In this Explanatory Memorandum and the Notice, the following terms have the following meanings unless the context otherwise requires:

AGM	means an Annual General Meeting.
Annual Report	means the Directors' report, the annual financial report and auditor's report in respect of the financial year ended 30 June 2013.
Associate	has the same meaning as defined in Section 11 and Sections 13 to 17 of the Corporations Act.
ASX	means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
Board	means the board of Directors of the Company.
Closely Related Party	has the same meaning as defined in Section 9 of the Corporations Act.
Company	means Goldphyre Resources Limited ABN 58 149 390 394.
Corporations Act	means Corporations Act 2001 (Cth).
Director	means a director of the Company.
Explanatory Memorandum	means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.
Listing Rules	means the listing rules of ASX.
Notice or Notice of Meeting	means the Notice of Annual General Meeting accompanying this Explanatory Memorandum.
Proxy Form	means the proxy form attached to this Notice.
Remuneration Report	means the remuneration report of the Company outlined in the Annual Report.
Resolution	means a resolution contained in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a share.

ANNEXURE A

**TERMS AND CONDITIONS
OPTIONS EXPIRING 30 SEPTEMBER 2016**

The Options were issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option will be 8 cents ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Goldphyre Resources Limited ABN 58 149 390 394 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5:00 pm, Western Standard Time on 30 September 2016 ("**Expiry Date**").
5. The Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules.
6. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
7. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
8. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
9. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
10. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
11. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
12. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.

