

SIRIUS RESOURCES NL

ACN 009 150 083

NOTICE OF ANNUAL GENERAL MEETING

PROXY FORM

EXPLANATORY STATEMENT

Date of Meeting

Monday 2nd November 2009

Time of Meeting

9:00 am

Place of Meeting

Celtic Club
48 Ord Street
West Perth WA 6005

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF SIRIUS RESOURCES NL ACN 009 150 083 ("Sirius/the Company") WILL BE HELD AT THE CELTIC CLUB, 48 ORD STREET, PERTH, WESTERN AUSTRALIA ON MONDAY 2nd NOVEMBER 2009 AT 9:00 AM (WST).

AGENDA

BUSINESS

An Explanatory Statement containing information in relation to each of the following Resolutions accompanies this Notice of Annual General Meeting.

ORDINARY BUSINESS

To receive and consider the annual financial report of the Company and the related reports of the Directors and the Auditors for the financial year ended 30 June 2008.

1. Resolution 1 - Adoption of Remuneration Report

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

"That, for the purposes of section 250R(2) of the Corporations Act 2001, the remuneration report forming part of the Company's 2009 Annual Report be adopted."

2. Resolution 2 - Re-election of Dr Mark Bennett as a Director

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

"That, Dr Mark Bennett, having been appointed as a Director on 31 August 2009 and who, in accordance with the Constitution of the Company retires at the end of this meeting and who, being eligible to be re-elected as a Director of the Company, and having consented to act, be, and is, hereby elected as a Director of the Company."

3. Resolution 3 - Re-election of Mr Stephen Lowe as a Director

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

"That, Mr Stephen Lowe, having been appointed as a Director and who, in accordance with the Constitution of the Company retires at the end of this meeting and who, being eligible to be re-elected as a Director of the Company, and having consented to act, be, and is, hereby re-elected as a Director of the Company."

4. Resolution 4 – Re-elect Mr Jeffrey Foster as a Director

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

"That, Mr Jeffrey Foster, having been appointed as a Director on 31 August 2009 and who, in accordance with the Constitution of the Company retires at the end of this meeting and who, being eligible to be re-elected as a Director of the Company, and having consented to act, be, and is hereby elected as a Director of the Company."

5. Resolution 5 – Grant of Options to Dr Mark Bennett

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 10.11 and Division 3 of Part 2E.1 of the Corporations Act and all other purposes, the Directors be authorised, subject to Resolution 5 being passed, to grant Dr Mark Bennett or his nominee 15,000,000 Options to subscribe for Shares in the Company on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by:

- Dr Mark Bennett;
- an associate of Dr Mark Bennett; and
- his nominee or an associate of his nominee.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with a 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 – Grant of Options to Mr Stephen Lowe

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 10.11 and Division 3 of Part 2E.1 of the Corporations Act and all other purposes, the Directors be authorised, subject to Resolution 6 being passed, to grant Mr Stephen Lowe or his nominee 6,000,000 Options to subscribe for Shares in the Company on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by:

- Mr Stephen Lowe;
- an associate of Mr Stephen Lowe; and
- his nominee or an associate of his nominee.

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However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with a 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 – Grant of Options to Mr Jeffrey Foster

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 10.11 and Division 3 of Part 2E.1 of the Corporations Act and all other purposes, the Directors be authorised, subject to Resolution 7 being passed, to grant Mr Jeffrey Foster or his nominee 6,000,000 Options to subscribe for Shares in the Company on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by:

- Mr Jeffrey Foster;
- an associate of Mr Jeffrey Foster; and
- his nominee or an associate of his nominee.

However, the Company need not disregard a vote if:

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

8. Resolution 8 – Ratification of Options issued to Service Providers

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

"That, pursuant to, and in accordance with, Listing Rule 7.4 of the Listing Rules of Australian Securities Exchange Limited and for all other purposes, Shareholders approve and ratify the allotment and issue of up to 12,000,000 ordinary options at 3 cents each on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting exclusion statement

The Company will disregard any votes cast on Resolution 8 by any person who participated in the issue or any of their associates, unless it is cast:

- by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- 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).

BY ORDER OF THE BOARD

Dated 16th September 2009



Anna Neuling
Company Secretary

PROXY

In accordance with section 249L(1)(d) of the Corporations Act 2001, Shareholders are advised:

- Each Shareholder has a right to appoint a proxy.
- The proxy need not be a Shareholder of the Company.
- A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one half of the votes.

In accordance with section 250BA of the Corporations Act 2001, the Company specifies the following for the purposes of receipt of proxy appointments:

Registered Office:
First Floor
10 Ord Street
West Perth WA 6005

Postal Address:
PO Box 682
West Perth WA 6872

Facsimile Number: (08) 6311 5556

Each Shareholder entitled to vote at the Annual General Meeting has the right to appoint a proxy to vote on each resolution. The Shareholder may specify the way in which the appointed proxy is to vote on a particular resolution or may allow the appointed proxy to vote at its discretion. The instrument appointing the proxy must be received by the Company as provided in its Constitution not later than 48 hours before the time of the commencement of the Annual General Meeting.

For the purposes of Regulation 7.11.37 of the Corporations Regulations the Company determines that Shareholders holding ordinary Shares at 5.00 pm, 1 November 2009 will be entitled to attend and vote at the Annual General Meeting.

A Proxy Form accompanies this Notice of Meeting.

BODIES CORPORATE

A body corporate may appoint an individual as its representative to exercise all or any of the powers the body corporate may exercise at meetings of the Shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise on the body corporate's behalf all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

REQUIRED MAJORITIES

Resolutions 1 to 8 are ordinary resolutions and will be passed only if supported by a majority of the votes cast by Shareholders entitled to vote on the Resolutions.

INCORPORATION OF EXPLANATORY STATEMENT

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

EXPLANATORY STATEMENT

This Explanatory Statement 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.

INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders of Sirius Resources NL ("**Sirius**" or "**the Company**") in connection with the business to be conducted at the Annual General Meeting to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on 2nd November 2009 at 9:00 am (WST).

This Explanatory Statement should be read in conjunction with the accompanying Notice of Annual General Meeting.

ORDINARY BUSINESS

Annual Financial Report

The Annual Report 2009 (including the financial statement, Directors' report and Auditor's report for the financial year ended 30 June 2009) has been sent to all Shareholders and will be tabled at the meeting. There is no formal resolution to accept the financial statements and reports, but provision will be made for Shareholders to question the Directors and the Auditor in relation to the Annual Report 2009 should they wish to do so.

Resolution 1 – Adoption of Remuneration Report

The Remuneration Report which details the Company's policy on the remuneration of non-executive directors and executive directors is set out within the Directors' Report of the Company's 2009 Annual Report. A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting. The vote on the resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is required to be considered for adoption in accordance with section 250R(2) of the Corporations Act.

Resolution 2 – To Re-elect Dr Mark Bennett as a Director

Resolution 2 seeks approval of Shareholders to the re-election of Dr Mark Bennett as Director.

The Constitution of the Company and ASX Listing Rule 14.4 provide that a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Dr Mark Bennett was appointed as a Director on 31 August 2009.

Dr Mark Bennett therefore retires effective at the end of the Annual General Meeting in accordance with the Constitution, and being eligible, has offered himself for re-election.

Dr Mark Bennett is a geologist with over 21 years' experience, predominantly in gold, nickel and base metal exploration and mining. He holds a BSc in Mining Geology from the University of Leicester and a PhD from the University of Leeds and is a Member of the Australasian Institute of Mining and Metallurgy and an elected Fellow of the Geological Society of London.

Mark has worked in Europe, West Africa, and Australia during his career spent predominantly working for WMC Resources and LionOre Mining International's Australian operations. His previous positions include Exploration Manager and Chief Geologist, including periods at WMC's Kambalda Nickel Operations, Gold Fields' St.Ives Gold Mines, Forrestania Gold's Bounty Gold Mine, and WMC's Melbourne Head Office.

In 2002, Mark received the Association of Mining and Exploration Companies (AMEC) Prospector of the Year Award in recognition of his contribution to the discovery of the Thunderbox Gold Mine and the Waterloo nickel deposit.

The Board of Directors, with Dr Mark Bennett abstaining, recommends that Shareholders vote to approve this Resolution.

Resolution 3 – To Re-elect Mr Stephen Lowe as a Director

Resolution 3 seeks approval of Shareholders to the re-election of Mr Stephen Lowe as Director.

The Constitution of the Company provides that at every Annual General Meeting one-third of the Directors of the Company (other than a Managing Director or Alternative Director), or if their number is not a multiple of three then the number nearest to but not exceeding one-third shall retire from office and shall be eligible for re-election. A Director's retirement is effective at the end of the relevant Annual General Meeting.

Mr Stephen Lowe therefore retires effective at the end of the Annual General Meeting in accordance with the Constitution, and being eligible, has offered himself for re-election.

Mr Stephen Lowe is a taxation specialist with over 15 years experience consulting to a wide range of corporate and private clients on a broad range of taxation issues. He is a director of the Perth based specialist taxation firm MKT - Taxation advisors and has been a director of several other public listed companies. His qualifications include a Bachelor of Business, Post-Graduate Diploma in Advanced Taxation and a Master of Taxation from the University of New South Wales. He is a Fellow of the Taxation Institute of Australia and a Member of the Australian Institute of Company Directors. Mr Stephen Lowe is also a Non-executive director of Apex Minerals NL.

The Board of Directors, with Mr Stephen Lowe abstaining, recommends that Shareholders vote to approve this Resolution.

Resolution 4 – To Re-elect Mr Jeffrey Foster as a Director

Resolution 4 seeks approval of Shareholders to the re-election of Mr Jeffrey Foster as Director.

The Constitution of the Company and ASX Listing Rule 14.4 provide that a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Mr Jeffrey Foster was appointed as a Director on 31 August 2009.

Mr Jeffrey Foster therefore retires effective at the end of the Annual General Meeting in accordance with the Constitution, and being eligible, has offered himself for re-election.

Mr Jeffrey Foster is a geologist with over 20 years experience worldwide in various roles for WMC and BHP, and as a director of the Brisbane-based consultancy Geodiscovery group. He is a renowned authority on nickel deposits, having advised several multinational mining companies and published numerous papers. He holds BSc and MSc degrees and is also Associate Professor at the ARC Centre of Excellence in Ore Deposits at the University of Tasmania.

The Board of Directors, with Mr Jeffrey Foster abstaining, recommends that Shareholders vote to approve this Resolution.

Resolution 5 – Grant of Options to Dr Mark Bennett

Resolution 5 seeks Shareholder approval for the Company to grant Options to Dr Mark Bennett. It is subject to Dr Mark Bennett being re-elected as a Director of the Company pursuant to Resolution 2.

Shareholder approval for the grant of the Options, the subject of Resolution 5, is sought for the purposes of:

- (a) Division 3 of Part 2E.1 of the Corporations Act – which governs the giving of financial benefits to “related parties”, e.g. directors of a company; and
- (b) Listing Rule 10.11 – which requires the grant of securities to a director of a company be approved by shareholders.

If approval for the grant of the Options to Dr Mark Bennett is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

The Directors believe that the proposed Option issue is an appropriate means of providing Dr Mark Bennett with appropriate incentives with the aim of ensuring the creation of value for Shareholders.

The Options are being granted for no consideration. Consequently no funds will be raised as a result of the grant of the Options. A total of A\$450,000 in additional Share capital would be raised if the Options were exercised in full.

Subject to Shareholder approval, the Options will be granted on the terms and conditions set out in Annexure "A" to this Explanatory Statement.

Part 2E.1 of the Corporations Act prohibits the Company from giving a financial benefit to a related party (such as a director) unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the relevant provisions of the Corporations Act; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed grant of Options to Dr Mark Bennett involves the provision of a financial benefit to a related party of the Company and, therefore requires prior Shareholder approval.

In accordance with the requirements of Part 2E of the Corporations Act, and in particular sections 218 and 221, the following information is provided to Shareholders to allow them to assess the proposed grant of Options:

- (a) the person to whom Resolution 5 would permit a financial benefit to be given is Dr Mark Bennett (or his nominee) who is a Director of the Company and thereby is a related party of the Company by virtue of section 228(2)(a) of the Corporations Act;
- (b) the nature of the financial benefit to be given is the grant of Options on the terms set out in Annexure "A" to this Explanatory Statement;
- (c) Dr Mark Bennett has a material personal interest in the outcome of Resolution 5 which relates to that person and therefore Mr Bennett declines to make any comment as to how Shareholders should vote in relation to such resolution;
- (d) Messrs Stephen Lowe and Jeffrey Foster (who have no interest in the outcome of Resolution 5) recommend that Shareholders vote in favour of Resolution 5 as it is an appropriate means of providing Dr Mark Bennett with an incentive to continue to create value for Shareholders;
- (e) the Options will be issued free of charge and therefore no funds will be raised by their issue. Any funds raised from the exercise of the Options will be used for the Company's general working capital requirements;
- (f) the Options will be issued within one month of Shareholder approval;
- (g) the exercise price of each Option is A\$0.03 and the Options may be exercised at any time during the period commencing on their issue date and ending on their expiry, 5 years after their issue date;
- (h) based on a Black Scholes valuation method, the Company estimates that each Option the subject of Resolution 5 has a value of 0.7 cents as at 16th September 2009.

This estimate is based on the following assumptions:

Exercise price:	A\$0.03
Market value of underlying Shares:	A\$0.01
Time to expiration of Option:	5 years
Vesting Date:	No vesting period
Volatility:	100%
Risk free interest rate:	4%
Annualised dividend yield:	Nil

- (i) over the last 12 months, the lowest recorded price of Shares in trading on ASX was A\$0.01 and the highest was A\$0.03. At the close of trading on 16th September 2009, the Share price was A\$0.011;

- (j) the current direct and indirect beneficial holdings of Dr Mark Bennett in securities of the Company are as follows:

Name	Shares	Options*
Mark Bennett	0	0

* Excludes Options proposed to be issued pursuant to Resolution 5.

- (k) the current annual compensation of Dr Mark Bennett is as follows:

Name	Salary & Fees	Non Monetary Benefits	Post employment Benefits and Superannuation	Total
Mark Bennett	A\$75,000	-	A\$6,750	A\$81,750

- (l) if all of the 15,000,000 Options the subject of Resolution 5 were to be exercised, existing Shareholders interests in the Company would be diluted by approximately 0.6% (assuming the the exercise of all Options and no other Shares being issued prior to the exercise of these Options); and
- (m) neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision whether it is in the best interests of the Company to pass Resolution 5.

Resolution 6 – Grant of Options to Mr Stephen Lowe

Resolution 6 seeks Shareholder approval for the Company to grant Options to Mr Stephen Lowe. It is subject to Mr Stephen Lowe being re-elected as a Director of the Company pursuant to Resolution 3.

Shareholder approval for the grant of the Options the subject of Resolution 6 is sought for the purposes of:

- (a) Division 3 of Part 2E.1 of the Corporations Act – which governs the giving of financial benefits to “related parties”, e.g. directors of a company; and
- (b) Listing Rule 10.11 – which requires the grant of securities to a director of a company be approved by shareholders.

If approval for the grant of the Options to Mr Stephen Lowe is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

The Directors believe that the proposed Option issue is an appropriate means of providing Mr Stephen Lowe with appropriate incentives with the aim of ensuring the creation of value for Shareholders.

The Options are being granted for no consideration. Consequently no funds will be raised as a result of the grant of the Options. A total of A\$180,000 in additional Share capital would be raised if the Options were exercised in full.

Subject to Shareholder approval, the Options will be granted on the terms and conditions set out in Annexure “A” to this Explanatory Statement.

Part 2E.1 of the Corporations Act prohibits the Company from giving a financial benefit to a related party (such as a director) unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the relevant provisions of the Corporations Act; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed grant of Options to Mr Stephen Lowe involves the provision of a financial benefit to a related party of the Company and, therefore requires prior Shareholder approval.

In accordance with the requirements of Part 2E of the Corporations Act, and in particular sections 218 and 221, the following information is provided to Shareholders to allow them to assess the proposed grant of Options:

- (a) the person to whom Resolution 6 would permit a financial benefit to be given is Mr Stephen Lowe (or his nominee) who is a Director of the Company and thereby is a related party of the Company by virtue of section 228(2)(a) of the Corporations Act;
- (b) the nature of the financial benefit to be given is the grant of Options on the terms set out in Annexure "A" to this Explanatory Statement;
- (c) Mr Stephen Lowe has a material personal interest in the outcome of Resolution 6 which relates to that person and therefore Mr Lowe declines to make any comment as to how Shareholders should vote in relation to such resolution;
- (d) Messrs Mark Bennett and Jeffrey Foster (who have no interest in the outcome of Resolution 6) recommend that Shareholders vote in favour of Resolution 6 as it is an appropriate means of providing Mr Stephen Lowe with an incentive to continue to create value for Shareholders;
- (e) the Options will be issued free of charge and therefore no funds will be raised by their issue. Any funds raised from the exercise of the Options will be used for the Company's general working capital requirements;
- (f) the Options will be issued within one month of Shareholder approval;
- (g) the exercise price of each Option is A\$0.03 and the Options may be exercised at any time during the period commencing on their issue date and ending on their expiry, 5 years after their issue date;
- (h) based on a Black Scholes valuation method, the Company estimates that each Option the subject of Resolution 6 has a value of 0.7 cents as at 16th September 2009.

This estimate is based on the following assumptions:

Exercise price: A\$0.03

Market value of underlying Shares: A\$0.01

Time to expiration of Option: 5 years

Vesting Date: No vesting period

Volatility: 100%

Risk free interest rate: 4%

Annualised dividend yield: Nil

- (i) over the last 12 months, the lowest recorded price of Shares in trading on ASX was A\$0.01 and the highest was A\$0.03. At the close of trading on 16th September 2009, the Share price was A\$0.011;
- (j) the current direct and indirect beneficial holdings of Mr Stephen Lowe in securities of the Company are as follows:

Name	Shares	Options*
Stephen Lowe	3,872,760	0

* Excludes Options proposed to be issued pursuant to Resolution 6.

- (k) the current annual compensation of Mr Stephen Lowe is as follows:

Name	Salary & Fees	Non Monetary	Post employment Benefits	Total

		Benefits	and Superannuation	
Stephen Lowe	A\$60,000	-	A\$5,400	A\$65,400

- (l) if all of the 6,000,000 Options the subject of Resolution 6 were to be exercised, existing Shareholders interests in the Company would be diluted by approximately 0.25% (assuming the the exercise of all Options and no other Shares being issued prior to the exercise of these Options); and
- (m) neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision whether it is in the best interests of the Company to pass Resolution 6.

Resolution 7 – Grant of Options to Associate Professor Jeffrey Foster

Resolution 6 seeks Shareholder approval for the Company to grant Options to Mr Jeffrey Foster. It is subject to Mr Jeffrey Foster being re-elected as a Director of the Company pursuant to Resolution 4.

Shareholder approval for the grant of the Options the subject of Resolution 7 is sought for the purposes of:

- (a) Division 3 of Part 2E.1 of the Corporations Act – which governs the giving of financial benefits to “related parties”, e.g. directors of a company; and
- (b) Listing Rule 10.11 – which requires the grant of securities to a director of a company be approved by shareholders.

If approval for the grant of the Options to Dr Jeffery Foster is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

The Directors believe that the proposed Option issue is an appropriate means of providing Mr Jeffrey Foster with appropriate incentives with the aim of ensuring the creation of value for Shareholders.

The Options are being granted for no consideration. Consequently no funds will be raised as a result of the grant of the Options. A total of A\$180,000 in additional Share capital would be raised if the Options were exercised in full.

Subject to Shareholder approval, the Options will be granted on the terms and conditions set out in Annexure “A” to this Explanatory Statement.

Part 2E.1 of the Corporations Act prohibits the Company from giving a financial benefit to a related party (such as a director) unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the relevant provisions of the Corporations Act; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed grant of Options to Dr Jeffrey Foster involves the provision of a financial benefit to a related party of the Company and, therefore requires prior Shareholder approval.

In accordance with the requirements of Part 2E of the Corporations Act, and in particular sections 218 and 221, the following information is provided to Shareholders to allow them to assess the proposed grant of Options:

- (a) the person to whom Resolution 7 would permit a financial benefit to be given is Mr Jeffrey Foster (or his nominee) who is a Director of the Company and thereby is a related party of the Company by virtue of section 228(2)(a) of the Corporations Act;
- (b) the nature of the financial benefit to be given is the grant of Options on the terms set out in Annexure “A” to this Explanatory Statement;
- (c) Dr Jeffrey Foster has a material personal interest in the outcome of Resolution 7 which relates to that person and therefore Dr Foster declines to make any comment as to how Shareholders should vote in relation to such resolutions;

- (d) Messrs Mark Bennett and Stephen Lowe (who have no interest in the outcome of Resolution 7) recommend that Shareholders vote in favour of Resolution 7 as it is an appropriate means of providing Mr Jeffrey Foster with an incentive to continue to create value for Shareholders;
- (e) the Options will be issued free of charge and therefore no funds will be raised by their issue. Any funds raised from the exercise of the Options will be used for the Company's general working capital requirements;
- (f) the Options will be issued within one month of Shareholder approval;
- (g) the exercise price of each Option is A\$0.03 and the Options may be exercised at any time during the period commencing on their issue date and ending on their expiry, 5 years after their issue date;
- (h) based on a Black Scholes valuation method, the Company estimates that each Option the subject of Resolution 7 has a value of 0.7 cents as at 16th September 2009.

This estimate is based on the following assumptions:

Exercise price: A\$0.03

Market value of underlying Shares: A\$0.01

Time to expiration of Option: 5 years

Vesting Date: No vesting period

Volatility: 100%

Risk free interest rate: 4%

Annualised dividend yield: Nil

- (i) over the last 12 months, the lowest recorded price of Shares in trading on ASX was A\$0.01 and the highest was A\$0.03. At the close of trading on 16^h September 2009, the Share price was A\$0.011;
- (j) the current direct and indirect beneficial holdings of Mr Jeffrey Foster in securities of the Company are as follows:

Name	Shares	Options*
Jeffrey Foster	0	0

* Excludes Options proposed to be issued pursuant to Resolution 7.

- (k) the current annual compensation of Dr Jeffrey Foster is as follows:

Name	Salary & Fees	Non Monetary Benefits	Post employment Benefits and Superannuation	Total
Jeffery Foster	A\$40,000	-	A3,600	A\$43,600

- (l) if all of the 6,000,000 Options the subject of Resolution 7 were to be exercised, existing Shareholders interests in the Company would be diluted by approximately 0.25% (assuming the the exercise of all Options and no other Shares being issued prior to the exercise of these Options); and
- (m) neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision whether it is in the best interests of the Company to pass Resolution 7.

Resolution 8 – Ratification of Options issued to Service Providers

Resolution 8 seeks the ratification of the issue of 12,000,000 options to Service Providers on Tuesday 29th September, subject to the vesting conditions and the terms and conditions in Annexure B ("**Service Provider Options**"). The issue of the Service Provider Options did not require the prior approval of Shareholders as it was made in accordance with the 15% limit allowed under Listing Rule 7.1.

Listing Rule 7.1, in effect, allows a company to issue securities without the prior approval of its Shareholders if the securities will not, in themselves or when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 allows issues of securities to be subsequently ratified and thereby reinstate the ability of the company to issue up to 15% of its issued share capital under Listing Rule 7.1. Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 (as is the case with the Service Provider Options) is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

In accordance with Listing Rule 7.4, the Company seeks from Shareholders approval for the issue of the Service Provider so as to enable it to issue up to 15% of its share capital within the next 12 months if so required.

Outlined below is the information required to be provided to Shareholders pursuant to Listing Rule 7.5 for the purpose of obtaining Shareholder approval under Listing Rule 7.4:

- (a) the number of securities which were allotted was 12,000,000 Service Provider Options;
- (b) the Service Provider Options are exercisable at 3 cents each;
- (c) the terms and conditions of the issue of Options to Service Providers is set out in Annexure "B";
- (d) the Service Provider Options have been issued to Service Providers of the Company who are not related parties of the company;
- (e) the Service Provider Options were not granted for any consideration and accordingly no funds will be raised from the grant of the Service Provider Options; and
- (f) the Company will disregard any votes cast on this resolution by any person who participated in the issue and any of their associates.

The Board believes that the ratification of this issue is beneficial for the Company. The Board recommends Shareholders vote in favour of Resolution 8 as it allows the Company to ratify the above issue of Service Provider Options and retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months.

Definitions

Sirius or Company means Sirius Resources NL ABN 22 009 150 083.

Board means the board of directors of the Company.

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

Listing Rules means the Listing Rules of ASX Limited.

Options means options to subscribe for Shares in the Company, on the terms set out in Annexure A.

Shares means the fully paid ordinary shares of the Company.

Shareholder means a registered member of the Company.

ANNEXURE A
CROESUS MINING NL
(TO BE RENAMED SIRIUS RESOURCES NL)
ABN 46 009 150 083

TERMS OF DIRECTOR OPTIONS

The terms and conditions of the Options are as follows:

1. Each Option entitles the Option Holder to subscribe for one Share in the Company.
2. Application will not be made for official quotation of the Options (or Shares upon exercise of the Options) on the ASX or any other financial market.
3. Subject to the satisfaction or waiver of the Exercise Conditions, the Options are exercisable on or before 5pm (Australian WST) on **[5 years after issue date] (Expiry Date)** by completing an Option Exercise Notice and delivering it to the Company's registered office with the exercise monies.
4. The exercise price of each Option is **\$0.03 (Exercise Price)**.
5. Subject to paragraph 15, the Options are exercisable at any time after the date of issue (**Exercise Conditions**).
6. The Options are not transferable to an un-associated entity, without prior approval of the Board.
7. Unless otherwise determined by the Board, if any Options are granted subject to Exercise Conditions and prior to satisfaction of the Exercise Conditions (such that the Options are not exercisable), an Option Holder ceases to be a Director of the Company then:
 - (a) if the Option Holder ceases to be a Director of the Company for any reason other than a Specified Reason, any such Options held by such Option Holder, or if appropriate, his or her Permitted Nominee, will automatically lapse after 30 days; and
 - (b) if the Option Holder ceases to be a Director of the Company for a Specified Reason, such Option Holder, or if appropriate, his or her Permitted Nominee, may exercise any such Options held by him or her within:
 - (i) 3 months of the date of (as the case may be) death or Total and Permanent Disablement; or
 - (ii) such longer period as the Board in its absolute discretion determines,subject to the Board, in its absolute discretion, reducing, waiving or varying the Exercise Conditions applying to those Options so that those Options may be exercised. Options the subject of clause (b) not exercised within 3 months or the longer period determined by the Board, will automatically lapse.
8. Unless otherwise determined by the Board, if an Option Holder ceases to be a Director of the Company at any time after an Option is or has become exercisable, then:
 - (a) if the Option Holder ceases to be a Director of the Company for any reason other than a Specified Reason, such Option Holder, or if appropriate, his or her Permitted Nominee, may exercise any such Options held by him or her within:
 - (i) 1 month of ceasing to be a Director of the Company; or
 - (ii) such longer period as the Board determines,and any Options the subject of this paragraph (a) not exercised within 1 month or the longer period determined by the Board, will automatically lapse; and
 - (b) if an Option Holder ceases to be a Director of the Company for a Specified Reason, such Option Holder, or if appropriate, his or her Permitted Nominee, is entitled to exercise any such Options at any time prior to the Expiry Date.
9. If the Board determines that an Option Holder has acted fraudulently, dishonestly or in breach of his or her obligations to the Company then the Options shall lapse upon written notification to the Option Holder.

10. All Shares issued upon exercise of the Options will rank equally in all respects with the Company's then issued Shares. If the Company's Shares are listed on ASX or any other financial market, the Company will apply for quotation of the Shares within 5 business days of issuing the Shares.
11. There are no participating rights or entitlements inherent in the Options and Option Holders 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, Option Holders will be given a reasonable opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
12. If there is a pro rata issue (other than a Bonus Issue) to the holders of Shares during the currency of, and prior to the exercise of any Options, the Exercise Price of an Option will be adjusted in the manner provided in the Listing Rules.
13. If there is a bonus issue (**Bonus Issue**) to the holders of Shares in the Company, the number of Shares over which the Options are exercisable will be increased by the number of Shares which the holder would have received if the Options had been exercised before the record date for the Bonus Issue (**Bonus Shares**). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other shares of the class on issue as at the date of issue of the Bonus Shares.
14. In the event of a reconstruction (including consolidation, subdivision, return, reduction or pro rata cancellation) of the issued capital of the Company prior to the Expiry Date, the number of Options to which each holder is entitled or the exercise price of the Options or both shall be reconstructed (as appropriate) in accordance with the requirements of the ASX Listing Rules which apply at that time.
15. Despite anything else in these terms and conditions, all Options may be exercised:
 - (a) during a Bid Period;
 - (b) at any time after a Change in Control Event has occurred; or
 - (c) on an application under section 411 of the Corporations Act, if a court orders a meeting to be held concerning a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company.

Definitions

In these terms and conditions:

ASX means ASX Limited and where the context permits, the Australian Securities Exchange operated by ASX Limited.

Bid Period means in relation to a takeover bid in respect of Shares in the Company, means the period referred to in the definition of that expression in section 9 of the Corporations Act provided that where a takeover bid is publicly announced prior to the service of a bidder's statement on the Company in relation to that takeover bid, the Bid Period shall be deemed to have commenced at the time of that announcement.

Board means the board of Directors.

Bonus Issue has the meaning in paragraph 12.

Bonus Share has the meaning in paragraph 13.

Change of Control Event means a shareholder, or a group of associated shareholders, becoming entitled to sufficient shares in the Company to give it or them the ability, and that ability is successfully exercised, in general meeting, to replace all or a majority of the Board.

Company means Croesus Mining NL (to be renamed Sirius Resources NL) ABN 46 009 150 083.

Director means a director of the Company.

Exercise Conditions has the meaning in paragraph 5.

Exercise Price has the meaning in paragraph 4.

Expiry Date has the meaning in paragraph 3.

Option means an option to acquire a Share on the terms and conditions herein.

Option Holder means the holder of an Option.

Option Exercise Notice means the option exercise notice in materially the same terms as is attached to the Certificate evidencing the Options.

Permitted Nominee a nominee of an Option Holder who has been approved by the Board.

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

Specified Reason means Total and Permanent Disablement or death.

Total and Permanent Disablement means, in relation to an Option Holder, that the Option Holder has, in the opinion of the Board and with effect on a date determined by the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Option Holder unlikely ever to engage in any occupation for which he is reasonably qualified by education, training or experience.

ANNEXURE B
CROESUS MINING NL
(TO BE RENAMED SIRIUS RESOURCES NL)
ABN 46 009 150 083
TERMS OF SERVICE PROVIDER OPTIONS

The terms and conditions of the Options are as follows:

1. Each Option entitles the Option Holder to subscribe for one Share in the Company.
2. Application will not be made for official quotation of the Options (or Shares upon exercise of the Options) on the ASX or any other financial market.
3. Subject to the satisfaction or waiver of the Exercise Conditions, the Options are exercisable on or before 5pm (Australian WST) on *[5 years after issue]* (**Expiry Date**) by completing an Option Exercise Notice and delivering it to the Company's registered office with the exercise monies.
4. The exercise price of each Option is **\$0.03 (Exercise Price)**.
5. Subject to paragraph 15, the Options are exercisable and vest one year after issue.

(Exercise Conditions)

6. The Options are not transferable, without prior approval of the Board.
7. Unless otherwise determined by the Board, if any Options are granted subject to Exercise Conditions and prior to satisfaction of the Exercise Conditions (such that the Options are not exercisable), an Option Holder ceases to be a provider of services to the Company then:
 - (a) if the Option Holder ceases to be a provider of services to the Company for any reason other than a Specified Reason, any such Options held by such Option Holder, or if appropriate, his or her Permitted Nominee, will automatically lapse; and
 - (b) if the Option Holder ceases to be a provider of services to the Company for a Specified Reason, such Option Holder, or if appropriate, his or her Permitted Nominee, may exercise any such Options held by him or her within:
 - (i) 3 months of the date of (as the case may be) death or Total and Permanent Disablement; or
 - (ii) such longer period as the Board in its absolute discretion determines,subject to the Board, in its absolute discretion, reducing, waiving or varying the Exercise Conditions applying to those Options so that those Options may be exercised. Options the subject of clause (b) not exercised within 3 months or the longer period determined by the Board, will automatically lapse.
8. Unless otherwise determined by the Board, if an Option Holder ceases to be a provider of services to the Company at any time after an Option is or has become exercisable, then:
 - (a) if the Option Holder ceases to be a provider of services to the Company for any reason other than a Specified Reason, such Option Holder, or if appropriate, his or her Permitted Nominee, may exercise any such Options held by him or her within:
 - (i) 1 month of ceasing to be a provider of services to the Company; or
 - (ii) such longer period as the Board determines,and any Options the subject of this paragraph (a) not exercised within 1 month or the longer period determined by the Board, will automatically lapse; and
 - (b) if an Option Holder ceases to be a provider of services to the Company for a Specified Reason, such Option Holder, or if appropriate, his or her Permitted Nominee is entitled to exercise any such Options at any time prior to the Expiry Date.
9. If the Board determines that an Option Holder has acted fraudulently, dishonestly or in breach of his or her obligations to the Company then the Options shall lapse upon written notification to the Option Holder.

10. All Shares issued upon exercise of the Options will rank equally in all respects with the Company's then issued Shares. If the Company's Shares are listed on ASX or any other financial market, the Company will apply for quotation of the Shares within 5 business days of issuing the Shares.
11. There are no participating rights or entitlements inherent in the Options and Option Holders 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, Option Holders will be given a reasonable opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
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14. In the event of a reconstruction (including consolidation, subdivision, return, reduction or pro rata cancellation) of the issued capital of the Company prior to the Expiry Date, the number of Options to which each holder is entitled or the exercise price of the Options or both shall be reconstructed (as appropriate) in accordance with the requirements of the ASX Listing Rules which apply at that time.
15. Despite anything else in these terms and conditions, all Options may be exercised:
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Permitted Nominee a nominee of an Option Holder who has been approved by the Board.

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

Specified Reason means Total and Permanent Disablement or death.

Total and Permanent Disablement means, in relation to an Option Holder, that the Option Holder has, in the opinion of the Board and with effect on a date determined by the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Option Holder unlikely ever to engage in any occupation for which he is reasonably qualified by education, training or experience.

**SIRIUS RESOURCES NL
ACN 009 150 083**

Level 1, 10 Ord Street, West Perth, WA, 6005
PO Box 682 West Perth, WA, 6872
PROXY FORM

Shareholder Details

Name:

Address:

Contact Telephone No:

Contact Email Address:

Contact Name (if different from above):

Appointment of Proxy

I/We being a shareholder/s of Sirius Resources NL and entitled to attend and vote hereby appoint

The Chairman
of the meeting **OR**

(mark with an 'X')

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Sirius Resources NL to be held at Celtic Club, 48 Ord Street, Perth WA, 6005 on 2nd November 2009 at 9.00am WST and at any adjournment of that meeting.

IMPORTANT: FOR ITEMS BELOW. If the Chairman of the Meeting is to be your proxy and you have not directed your proxy how to vote on the items below, please place a mark in the box. BY marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of that item and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the following items and your votes will not be counted in computing the required majority if a poll is called on this item. The Chairman of the Meeting intends to vote undirected proxies in favour of all items.

Voting directions to your proxy – please mark to indicate your directions

Ordinary Business

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Dr Mark Bennett as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Stephen Lowe as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of Mr Jeffrey Foster as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Grant of Options to Dr Mark Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Grant of Options to Mr Stephen Lowe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Grant of Options to Mr Jeffrey Foster	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Ratification of Options issued to Service Providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
OR	If you do NOT wish to direct your Proxy how to vote	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

*Appointment of a second proxy (see instructions attached).

*If you wish to appoint a second proxy, state the % of your voting rights applicable to the proxy appointed by this form

*In addition to the intention advised above, the Chairman of the Annual General Meeting intends to vote undirected proxies in favour of each item of business.

 %

PLEASE SIGN HERE This section must be signed in accordance with the instructions attached to enable your directions to be implemented

Individual or Shareholder 1

Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

HOW TO COMPLETE THE PROXY FORM

1. Shareholder Details

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.

2. Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company.

3. Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

5. Signing Instructions

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

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the shareholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, 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, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting on 3:00pm (WST) on 26 October 2009. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged

- by delivery or facsimile

Registered Office:
Sirius Resources NL
First Floor
10 Ord Street
West Perth WA 6005

Postal Address:
Sirius Resources NL
PO Box 682
West Perth WA 6872

Facsimile (within Australia) (08) 6311 5556
Facsimile (outside Australia) +61 8 6311 5556