

25 May 2009

The Manager
Company Announcements
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir

Re: Notice of Meeting and Proxy Form Mailed to Shareholders

We wish to advise that the following documents were mailed to shareholders today.

Yours Faithfully

A handwritten signature in black ink that reads "Carol New".

Carol New
Company Secretary



HAZELWOOD RESOURCES LIMITED

ACN 118 738 999

NOTICE OF GENERAL MEETING

TIME: 10:00 am (WST)

DATE: 24 June 2009

PLACE: Level 6, 189 St Georges Terrace, Perth, Western Australia

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) 9320 5220.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00 am (WST) on 24 June 2009 at:

Level 6, 189 St Georges Terrace
PERTH WA 6000

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Hazelwood Resources Limited, PO Box 7323, Cloisters Square, Perth WA 6850; or
- (b) facsimile to the Company on facsimile number (+61 8) 9481 6343,

so that it is received not later than 10:00 am (WST) on 22 June 2009.

Proxy Forms received later than this time will be invalid.

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders will be held at 10:00 am (WST) on 24 June 2009 at Level 6, 189 St Georges Terrace, Perth, Western Australia.

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 5.00 pm (WST) on 22 June 2009.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR SHARE PLACEMENT TO VALDREW NOMINEES PTY LTD

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 415,200 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 Valdrew Nominees Pty Ltd and any of its associates. 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.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO SINO-ITALY DEVELOPMENT CO LIMITED

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 2,000,000 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 Sino-Italy Development Co Limited and any of its associates. 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.

3. **RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO MFT SHARES PTY LTD**

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 5,000,000 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 MFT Shares Pty Ltd and any of its associates. 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.

4. **RESOLUTION 4 – RATIFICATION OF PRIOR SHARE ISSUE– TRANCHE 1 SHARE OFFER**

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 5,000,000 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 of their associates. 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 OF SHARES – TRANCHE 2 SHARE OFFER**

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 20,000,000 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, 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 – PLACEMENT OF SHARES TO CREEKWOOD NOMINEES PTY LTD

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 2,000,000 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 Creekwood Nominees Pty Ltd and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, 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 – PLACEMENT OF SHARES TO RELATED PARTIES

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 375,000 Shares to the Related Parties (or their nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by the Related Parties (or their nominees) or any of his associates. 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.

DATED: 22 MAY 2009

BY ORDER OF THE BOARD

**MS CAROL NEW
COMPANY SECRETARY
HAZELWOOD RESOURCES LIMITED**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 10:00 am (WST) on 24 June 2009 at Level 6, 189 St Georges Terrace, Perth, Western Australia. This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. RESOLUTION 1 – RATIFICATION OF PRIOR SHARE PLACEMENT TO VALDREW NOMINEES PTY LTD

1.1 General

On 9 April 2009, the Company issued 415,200 Shares (offered pursuant to a prospectus lodged at ASIC on 8 April 2009) as consideration for the provision of metallurgical services to the Company.

Valdrew Nominees Pty Ltd is not a related party of the Company.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Share Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class 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.

1.2 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 Share Ratification:

- (a) 415,200 Shares were allotted;
- (b) the Shares were issued for nil cash consideration;
- (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 to Valdrew Nominees Pty Ltd; and
- (e) no funds were raised from this issue as the Shares were issued in consideration for the provision of metallurgical services to the Company.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO SINO-ITALY DEVELOPMENT CO LIMITED

2.1 General

On 9 April 2009, the Company issued 2,000,000 Options (granted pursuant to a prospectus lodged at ASIC on 8 April 2009) as consideration for the provision of consulting services including negotiating with potential investors on behalf of the Company.

Sino-Italy Development Co Limited is not a related party of the Company.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options (**Sino Italy Option Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 1.1 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.

2.2 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 Sino-Italy Option Ratification:

- (a) 2,000,000 Options were allotted;
- (b) the Options were issued for nil cash consideration;
- (c) the Options were issued on the terms and conditions set out in Schedule 1;
- (d) the Options were allotted and issued to Sino-Italy Development Co Limited; and
- (e) no funds were raised from this issue as the Options were issued in consideration for the provision of consulting services to the Company.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO MFT SHARES PTY LTD

3.1 General

On 9 April 2009, the Company issued 5,000,000 Options (granted pursuant to a prospectus lodged at ASIC on 8 April 2009) as consideration for the provision of consultancy services to the Company.

MFT Shares Pty Ltd is not a related party of the Company.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options (**MFT Option Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 1.1 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.

3.2 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 MFT Option Ratification:

- (a) 5,000,000 Options were allotted;
- (b) the Options were issued for nil cash consideration;
- (c) the Options were issued on the terms and conditions set out in Schedule 1;
- (d) the Options were allotted and issued to MFT Shares Pty Ltd; and
- (e) no funds were raised from this issue as the Options were issued in consideration for the provision of consultancy services to the Company.

4. RESOLUTION 4 – RATIFICATION OF PRIOR SHARE ISSUE – TRANCHE 1 SHARE OFFER

4.1 Background

On 15 May 2009, the Company lodged a prospectus at ASIC (**Prospectus**) pursuant to which the Company offered:

- (a) up to 25,000,000 Shares at an issue price of 12 cents per Share to raise up to \$3,000,000 (**Share Offer**);
- (b) 2,000,000 Shares to Creekwood Nominees Pty Ltd (or nominee) in part consideration for the acquisition of all of the issued share capital in Kiora Holdings Pty Ltd (**Creekwood Share Placement**); and
- (c) 225,000 Shares to Ausnom Pty Ltd as trustee for the J & K Chegs Share Trust (**Ausnom**) and 150,000 Shares to Terrence Butler-Blaxell as trustee for The Butler-Blaxell Family Trust in part consideration for the acquisition of mining tenements E09/1067 and E09/1066 (**Arthur River Share Placement**).

(together, the **Offers**).

As outlined in the Prospectus, the offer of:

- (a) up to 20,000,000 of the Shares offered pursuant to the Share Offer (**Tranche 2 Shares**) is conditional upon the passing of Resolution 5 (**Share Offer Condition**);
- (b) 2,000,000 Shares pursuant to the Creekwood Share Placement is conditional upon the passing of Resolution 6; and
- (c) 375,000 Shares pursuant to the Arthur River Share Placement is conditional upon the passing of Resolution 7.

Prior to the date of this General Meeting, the other 5,000,000 Shares offered pursuant to the Share Offer (**Tranche 1 Shares**) will have been issued (the ratification of which is the subject of Resolution 5).

For the avoidance of doubt, the process is as follows:

- (a) Shares offered pursuant to the Prospectus;
- (b) Offers open under the Prospectus;

- (c) up to 5,000,000 Shares offered pursuant to the Share Offer are issued;
- (d) General Meeting held and Resolutions 5, 6 and 7 are considered;
- (e) assuming Resolutions 5, 6 and 7 are passed, up to 20,000,000 Shares offered pursuant to the Share Offer, 2,000,000 Shares offered pursuant to the Creekwood Share Placement and 375,000 Shares offered pursuant to the Arthur River Share Placement are issued; and
- (f) Offers close under the Prospectus.

4.2 General

Prior to the date of this General Meeting, the Company will have issued the Tranche 1 Shares pursuant to the Share Offer as outlined in Section 4.1.

The subscribers pursuant to this issue will not be related parties of the Company.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Tranche 1 Shares (**Tranche 1 Share Offer Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 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.

4.3 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 Tranche 1 Share Offer Ratification:

- (a) 5,000,000 Shares will have been issued and allotted before the date of this General Meeting;
- (b) the issue price was 12 cents per Share;
- (c) the Shares to be issued will all be 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 will be allotted and issued to investors identified by Hartleys Limited. No Shares will be issued to any related parties or associates of the Company; and
- (e) the funds raised from this issue will be used to progress and finalise pre-feasibility study at the Company's Big Hill Tungsten Project and for general working capital purposes.

5. RESOLUTION 5 – PLACEMENT OF SHARES – TRANCHE 2 SHARE OFFER

5.1 General

Resolution 5 seeks Shareholder approval for the allotment and issue of up to 20,000,000 Shares at an issue price of 12 cents per Share (defined as the Tranche 2 Shares in Section 4.1) (**Tranche 2 Share Placement**).

None of the subscribers pursuant to this issue will be related parties of the Company.

A summary of ASX Listing Rule 7.1 is set out Section 1.1 above.

The effect of Resolution 5 will be to allow the Directors to issue the Shares pursuant to the Tranche 2 Share Placement during the period of 3 months after the General 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 Tranche 2 Share Placement:

- (a) the maximum number of Shares to be issued is 20,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Extraordinary General 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 issue price will be 12 cents per Share;
- (d) the Shares will be allotted and issued to investors identified by Hartleys Limited. No Shares will be issued to any related parties or associates 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) the Company intends to use the funds raised from this issue to progress and finalise pre-feasibility study at the Company's Big Hill Tungsten Project and for general working capital purposes.

6. RESOLUTION 6 – PLACEMENT OF SHARES TO CREEKWOOD NOMINEES PTY LTD

6.1 Background

As disclosed in the Company's IPO Prospectus, pursuant to an option agreement between Creekwood and the Company (as varied by a deed of variation) (**Creekwood Option Agreement**), the Company had the option to acquire, and subsequently acquired, all of the issued share capital in Kiora Holdings Pty Ltd (**Kiora**) being the holder of the mining tenements E46/521, E46/560, M46/477, M46/480, M46/479 and M46/798 (together, the **Creekwood Tenements**).

As part consideration for the acquisition of Kiora, the Company agreed to issue Creekwood 2,000,000 Shares on confirmation that the Creekwood Tenements contained a mineral resource in accordance with the JORC Code. On 21 April 2009, the Company announced a mineral resource at its Big Hill Deposit (being a mineral resource located on the Creekwood Tenements).

Accordingly, pursuant to the terms of the Creekwood Option Agreement, the Company must issue Creekwood 2,000,000 Shares.

Prior to listing on ASX the Company obtained an ASX waiver from Listing Rule 7.1 pursuant to which it was waived from the requirement to obtain Shareholder approval pursuant to Listing Rule 7.4 in respect of the issue of the 2,000,000 Shares to Creekwood provided the Shares were issued within 24 months after the date of the Company's admission to the official list of ASX (**ASX Waiver**).

As the Company was admitted to the official list on 29 September 2006, the ASX Waiver has now lapsed and the Company must obtain Shareholder approval in respect of the issue of the Shares the subject of the Creekwood Share Placement.

As detailed above, the Company has a contractual obligation to issue the 2,000,000 Shares to Creekwood. Therefore, if Shareholders do not approve the Creekwood Share Placement and the Company:

- (a) does not issue the Shares to Creekwood it would be a breach of the Creekwood Option Agreement and Creekwood would have a right to make a claim against the Company; or
- (b) does issue the Shares to Creekwood without obtaining the necessary Shareholder approval it would be in breach of the Listing Rules and ASX may impose penalties on the Company.

6.2 General

Resolution 6 seeks Shareholder approval for the allotment and issue of 2,000,000 Shares to Creekwood Nominees Pty Ltd in part consideration for the acquisition of all of the issued share capital of Kiora in accordance with the terms of the Creekwood Option Agreement.

Creekwood Nominees Pty Ltd is not a related party of the Company.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 above.

The effect of Resolution 6 will be to allow the Directors to issue the Shares pursuant to the Creekwood Share Placement during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

6.3 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 Creekwood Share Placement:

- (a) the maximum number of Shares to be issued is 2,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the General 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 consideration;
- (d) the Shares will be allotted and issued to Creekwood Nominees Pty Ltd (or nominee);
- (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 issue of the Shares pursuant to the Creekwood Share Placement as the Shares are being issued in accordance with the Creekwood Option Agreement as part consideration for the Company's acquisition of Kiora.

7. RESOLUTION 7 – PLACEMENT OF SHARES TO RELATED PARTIES

7.1 Background

As disclosed in the Company's IPO Prospectus, pursuant to an option agreement between the Company, Australis Capital Limited, Ausnom and Terrence Butler-Blaxell dated 18 July 2006 (and subsequently varied) (**Arthur River Option Agreement**), the Company was granted an option to acquire a 100% interest in the mining tenements E09/1067 and E09/1066 (together, the **Arthur River Tenements**) (**Option**).

The Company subsequently exercised the Option and acquired the Arthur River Tenements. As part consideration for the acquisition of the Arthur River Tenements, the Company agreed to issue:

- (a) Ausnom 225,000 Shares; and
- (b) Terrence Butler-Blaxell atf The Butler-Blaxell Family Trust (**Trust**) 150,000 Shares,

being a total of 375,000 Shares.

Accordingly, pursuant to the terms of the Arthur River Option Agreement, the Company must issue Ausnom 225,000 Shares and Terrence Butler-Blaxell atf the Trust 150,000 Shares.

In accordance with the terms and conditions of the Arthur River Option Agreement, the Company will also be required to issue a further tranche of 375,000 Shares to the above parties in December 2009 (being the final consideration payable under the agreement). The Company will seek Shareholder approval for that Share issue at a later date.

7.2 General

Resolution 7 seeks Shareholder approval for the allotment and issue of a total of 375,000 Shares to Ausnom and Terrence Butler-Blaxell atf the Trust (**Related Parties**) in consideration for the acquisition of the Arthur River Tenements.

Ausnom is a related party because it is controlled by John Chegwidan who is a Director of the Company. Terrence Butler-Blaxell is a related party of the Company because he is a Director of the Company.

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.

The issue of the Shares to the Related Parties requires the Company to obtain Shareholder approval because the issue of Shares constitutes giving a financial benefit to a related party for the reasons set out above.

However, it is the view of the Directors that the exception set out in Section 210 of the Corporations Act (arm's length transaction) applies in the current circumstances. Accordingly, Shareholder approval is not being sought under section 208 of the Corporations Act for the Related Parties to be issued the Shares pursuant to the Arthur River Share Placement.

Shareholder approval is however being sought pursuant to ASX Listing Rule 10.11.

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

7.3 Shareholder Approval (Listing Rule 10.11)

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the Arthur River Share Placement:

- (a) the related parties are Ausnom and Terrence Butler-Blaxell. Ausnom is a related party because it is controlled by John Chegwiddden who is a Director of the Company. Terrence Butler-Blaxell is a related party of the Company because he is a Director of the Company;
- (b) the maximum number of Shares to be issued to the Related Parties is 375,000;
- (c) the maximum number of Shares to be issued to:
- (d) Ausnom is 225,000 Shares; and
- (e) Terrence Butler-Blaxell atf the Trust is 150,000;
- (f) the Shares will be issued to the Related Parties no later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date;
- (g) the Shares will be issued for nil consideration;
- (h) the Shares issued will rank equally with the Company's current issued Shares;
- (i) John Chegwiddden and Terrence Butler-Blaxell decline to make a recommendation to Shareholders in relation to Resolution 7 due to their material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 7, recommend that Shareholders vote in favour of Resolution 7. The Board (other than John Chegwiddden and Terrence Butler-Blaxell) 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 the Resolution.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Shares to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares 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.

8. ENQUIRIES

Shareholders are required to contact Mark McAuliffe on (+ 61 8) 9320 5220 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

Arthur River Share Placement means the offer of 375,000 Shares as detailed in Section 4.1, the approval of which is the subject of Resolution 7.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Ausnom means Ausnom Pty Ltd (ACN 087 755 959) as trustee for the J & K Chegs Share Trust.

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.

Creekwood means Creekwood Nominees Pty Ltd (ACN 073 878 645).

Creekwood Share Placement means the offer of 2,000,000 Shares to Creekwood as detailed in Section 4.1, the approval of which is the subject of Resolution 6.

Company means Hazelwood Resources Limited (ACN 118 738 999).

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 of Meeting.

General Meeting means the meeting convened by the Notice of Meeting.

IPO Prospectus means the Company's initial public offering prospectus dated 28 July 2006.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option as the context requires.

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

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

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. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Options.
- (b) The Options will expire at 5:00 pm (WST) on 30 April 2012 (**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:
 - (i) \$0.20 in respect of the Options the subject of Resolution 2; and
 - (ii) \$0.10 in respect of the Options the subject of Resolution 3,**(Exercise Price)**.
- (d) 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.
- (e) 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;**(Exercise Notice)**.
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) 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.
- (h) The Options are not transferable.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (j) 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.
- (k) 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.
- (l) 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.

- (m) 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.

PROXY FORM

**APPOINTMENT OF PROXY
HAZELWOOD RESOURCES LIMITED
ACN 118 738 999**

GENERAL MEETING

I/We

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

Appoint

Name of proxy

OR

Mark this box if you wish to appoint the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at 10:00 am (WST), on 24 June 2009 at Level 6, 189 St Georges Terrace, Perth, Western Australia, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Ratification of Prior Share Placement to Valdrew Nominees Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Ratification of prior issue of Options to Sino-Italy Development Co Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Ratification of prior issue of Options to MFT Shares Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Ratification of Prior Share Issue – Tranche 1 Share Offer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Placement of Shares - Tranche 2 Share Offer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Placement of Shares to Creekwood Nominees Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Placement of Shares to Related Parties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

OR

If the Chair of the 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 1 and 7 please place a mark in this box.

By marking this box, you acknowledge that the Chair of the General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 and 7 and that votes cast by the Chair of the General Meeting for Resolutions 1 and 7 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 1 and 7 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 and 7.

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 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

Signed this _____ day of _____ 2009 _____%

By:

Individuals and joint holders

Signature
Signature
Signature

Companies (affix common seal if appropriate)

Director
Director/Company Secretary
Sole Director and Sole Company Secretary

HAZELWOOD RESOURCES LIMITED
ACN 118 738 999

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at a 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. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.
3. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.
4. Corporate members should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

5. Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the 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 General Meeting.
6. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Hazelwood Resources Limited, PO Box 7323, Cloisters Square, Perth WA 6850; or
 - (b) facsimile to the Company on facsimile number +61 8 9481 6343,

so that it is received not later than 10:00 am (WST) on 22 June 2009.

Proxy forms received later than this time will be invalid.