

Klondike Source Limited

ACN 087 595 980

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the sixth Annual General Meeting of the members of Klondike Source Limited ("Company") will be held at Level 10, 80 Arthur Street, North Sydney on Thursday, 26 May 2005 at 4.00pm.

ORDINARY BUSINESS

1. Financial Report

To receive the Reports of the Directors and Auditors, and the Financial Report for the year ended 31 December 2004.

2. To elect a Director

Mr Colin M Thomas retires as a Director by rotation pursuant to clause 17 the Company's Constitution and, being eligible, offers himself for re-election.

PROXIES

Please note that:

- (a) a member of the Company who is entitled to attend and cast a vote at the meeting has a right to appoint a proxy;
 - (b) the appointment may specify the proportion or number of votes that the proxy may exercise;
 - (c) a member who is entitled to cast two or more votes at the meeting may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise;
 - (d) if the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half the votes;
 - (e) a proxy need not be a member of the Company; and
- unless the member specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit or abstain from voting. If you wish to appoint a proxy, you should complete the attached proxy form and comply with details set out in that form for lodgement of the form with the Company.

The proxy form must be signed by the member or his or her attorney duly authorised in writing or, if the member is a corporation, either under the seal of the corporation (in accordance with its Constitution) or under the hand of an attorney duly authorised in writing or otherwise signed in accordance with the Corporations Act.

If any attorney or authorised officer signs the proxy form on behalf of a member, the relevant power of attorney or other authority under which it is signed or a certified copy of that power or authority must be deposited with the proxy form.

In the case of joint holders, all holders must sign.

To be effective, the Company must receive proxy forms at its registered office at least 48 hours before the time for holding the meeting.

By Mail or Hand Delivery:

Klondike Source Limited, Level 10, 80 Arthur Street, North Sydney

By Facsimile:

(02) 9954 4011

BY ORDER OF THE BOARD

Robert J Waring

Secretary 13 April 2005

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EXPLANATORY NOTES

These explanatory notes set out information in connection with the business to be considered at the 2005 Annual General Meeting of Klondike Source Limited.

ORDINARY BUSINESS

The following items of ordinary business will be considered at the meeting.

Resolution 1

Financial Report

This item of business relates to the receipt and adoption of the Company's Financial Report for the year ended 31 December 2004.

Resolution 2

Election of Director – Mr Colin M Thomas

Details of directors' qualifications and experience are set out in the Directors' Report section of the Annual Report. Mr Colin M Thomas was originally appointed a director of the Company on 15 May 1999. Under the Company's Constitution he retires by rotation, and being eligible, wishes to stand for re-election.