

NYOTA MINERALS LIMITED

ABN 98 060 938 552

NOTICE OF ANNUAL GENERAL MEETING

and

EXPLANATORY MEMORANDUM

Date of Meeting: Wednesday, 24 November 2010

Time of Meeting: 4.00pm (WST)

Place of Meeting: Celtic Club
48 Ord Street
West Perth WA

This Notice of Annual General Meeting and Explanatory Memorandum should be read in their 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.

NYOTA MINERALS LIMITED

ABN 98 060 938 552

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting of shareholders of Nyota Minerals Limited ABN 98 060 938 552 ("**Company**") will be held at the Celtic Club 48 Ord Street, West Perth, Western Australia at 4.00pm (WST) on Wednesday, 24 November 2010.

The Explanatory Memorandum which accompanies and forms part of this Notice of Annual General Meeting describes the various matters to be considered and contains a glossary of defined terms for terms that are not defined in full in this Notice of Annual General Meeting.

AGENDA

ANNUAL FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Financial Report, the Directors' Report and Auditor's Report for the Company and its controlled entities for the period ended 30 June 2010.

ORDINARY RESOLUTIONS

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 (Cth) and for all other purposes, the Remuneration Report for the Company and its controlled entities for the period ended 30 June 2010 be adopted."

The vote on this Resolution is advisory only and does not bind the Directors or the Company.
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2. Re-election of Mr David Pettman as a Director

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

"That Mr David Pettman, who was appointed as a director of the Company to fill a casual vacancy on 22 March 2010 retires in accordance with Article 6.3 of the Company's constitution and being eligible, offers himself for re-election, be re-elected as a Director."

3. Re-election of Mr Terry Tucker as a Director

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

"That Mr Terry Tucker, who was appointed as a director of the Company to fill a casual vacancy on 6 August 2010, retires in accordance with Article 6.3 of the Company's constitution and being eligible, offers himself for re-election, be re-elected as a Director."

4. Re-election of Ms Melissa Sturgess as a Director

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

"That Ms Melissa Sturgess, who retires by rotation in accordance with Article 6.3 of the Company's constitution and being eligible, offers herself for re-election, be re-elected as a Director."

5. Grant of Options to Ms Melissa Sturgess

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

"That, for the purposes of subsection 208(1) of the Corporations Act 2001 (Cth), ASX Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the grant of up to 3,500,000 Options to Ms Melissa Sturgess, or her nominee, subject to various vesting conditions and otherwise on the terms and conditions set out in the Explanatory Memorandum."

<p>The Company will disregard any votes cast on this resolution by Ms Sturgess or her associates. However, the Company need not disregard a vote if it is cast by a director 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 a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.</p>

6. Grant of Options to Mr Terry Tucker

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

"That, for the purposes of subsection 208(1) of the Corporations Act 2001 (Cth), ASX Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the grant of up to 3,500,000 Options to Mr Terry Tucker, or his nominee, subject to various vesting conditions and otherwise on the terms and conditions set out in the Explanatory Memorandum."

<p>The Company will disregard any votes cast on this resolution by Mr Tucker or his associates. However, the Company need not disregard a vote if it is cast by a director 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 a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.</p>

7. Grant of Options to Mr Martyn Churchouse

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

"That, for the purposes of subsection 208(1) of the Corporations Act 2001 (Cth), ASX Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the grant of up to 2,000,000 Options to Mr Martyn Churchouse, or his nominee, subject to various vesting conditions and otherwise on the terms and conditions set out in the Explanatory Memorandum."

The Company will disregard any votes cast on this resolution by Mr Churchouse or his associates. However, the Company need not disregard a vote if it is cast by a director 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 a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
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8. Grant of Options to Mr David Pettman

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

"That, for the purposes of subsection 208(1) of the Corporations Act 2001 (Cth), ASX Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the grant of up to 1,500,000 Options to Mr David Pettman, or his nominee, subject to various vesting conditions and otherwise on the terms and conditions set out in the Explanatory Memorandum."

The Company will disregard any votes cast on this resolution by Mr Pettman or his associates. However, the Company need not disregard a vote if it is cast by a director 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 a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

9. Grant of Options to Mr Michael Langoulant

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

"That, for the purposes of subsection 208(1) of the Corporations Act 2001 (Cth), ASX Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the grant of up to 1,500,000 Options to Mr Michael Langoulant, or his nominee, subject to various vesting conditions and otherwise on the terms and conditions set out in the Explanatory Memorandum."

The Company will disregard any votes cast on this resolution by Mr Langoulant or his associates. However, the Company need not disregard a vote if it is cast by a director 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 a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
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10. Grant of Options to Mr Evan Kirby

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

"That, for the purposes of subsection 208(1) of the Corporations Act, Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the grant of up to 1,500,000 Options to Mr Evan Kirby, or nominee, subject to various vesting conditions and otherwise on the terms and conditions set out in the Explanatory Memorandum."

<p>The Company will disregard any votes cast on this resolution by Mr Kirby or his associates. However, the Company need not disregard a vote if it is cast by a director 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 a person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.</p>
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BY ORDER OF THE BOARD



Michael Langoulant
Finance Director
Dated: 11 October 2010

NYOTA MINERALS LIMITED
ABN 98 060 938 552

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be considered at the Annual General Meeting of Shareholders to be held at the Celtic Club 48 Ord Street, Perth, Western Australia at 4.00pm (WST) on Wednesday, 24 November 2010.

The Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting. For the assistance of Shareholders, a glossary of defined terms is included at the end of this Explanatory Memorandum

Full details of the business to be considered at this Annual General Meeting are set out below.

Annual financial statements and reports

The Corporations Act requires that the Annual Report (which includes the Annual Financial Report, Directors' Report and Auditors' Report) be laid before the Annual General Meeting.

There is no requirement for the Shareholders to approve the Annual Report. However, Shareholders will be given an opportunity to ask questions and make comments about the Annual Report or the Company generally but there will be no formal resolution submitted to the Meeting in respect of it.

Mr Pierre Dreyer, as the auditor responsible for preparing the Auditor's Report for the year ended 30 June 2010 (or his representative), will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditor's Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have by mail to **Suite 2, 5 Ord Street, West Perth WA 6005**, or by fax to **+61 8 9324 2977** so that it is received by no later than 5.00pm (WST) on Wednesday, 17 November 2010.

In accordance with section 250PA of the Corporations Act, at the Meeting, the Company will distribute a list setting out the questions directed to the auditor received in writing by members, being questions which the auditor considers relevant to the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report. The Chairman will allow reasonable opportunity to respond to the questions set out on this list.

1. Resolution 1 - Adoption of Remuneration Report

The Remuneration Report of the Company for the financial period ended 30 June 2010 is set out on pages 17 to 23 of the Company's 2010 Annual Report. It sets out a range of matters relating to the remuneration of Directors, executives and senior managers of the Company.

Pursuant to section 250R(2) of the Corporations Act, a resolution that the remuneration report be adopted must be put to vote at the Company's Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

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

The Board unanimously recommends that Shareholders vote in favour of adopting the remuneration report.

2. Resolutions 2, 3 and 4 - Re-election of Directors

In accordance with Article 6.3 of the Company's constitution, Mr David Pettman and Mr Terry Tucker, who were appointed to fill casual vacancies on 22 March 2010 and 6 August 2010, respectively, retire at the Annual General Meeting. Mr Pettman and Mr Tucker, being eligible for re-election pursuant to the Company's constitution, offer themselves for re-election.

As regards Resolution 2, apart from Mr Pettman (who abstains from voting given his interest in Resolution), the remaining Directors recommend to Shareholders that Mr Pettman be re-elected.

As regards Resolution 3, apart from Mr Tucker (who abstains from voting given his interest in Resolution), the remaining Directors recommend to Shareholders that Mr Tucker be re-elected.

In accordance with Article 6.3 of the Company's constitution, Ms Melissa Sturgess retires by rotation at the Annual General Meeting. Ms Sturgess, being eligible for re-election pursuant to the Company's constitution, offers herself for re-election.

Apart from Ms Sturgess (who abstains from voting on Resolution 4 given her interest in the Resolution), the remaining Directors recommend to Shareholders that Ms Sturgess be re-elected.

3. Resolutions 5, 6, 7, 8, 9 and 10 - Grant of Options to Directors

3.1 Details of proposed issues

The Company proposes to grant Options to the Recipient Directors of the Company.

The proposed grant of Options to the Recipient Directors is intended to:

- (a) provide an appropriate and adequate incentive for the Recipient Directors;
- (b) ensure that the Company may retain the services of the Recipient Directors; and
- (c) reinforce the commitment of the Recipient Directors to the Company.

The Recipient Directors will only benefit from a grant of Options when there is an improvement in the Company's share price such that it exceeds the exercise prices of the Options.

Resolutions 5, 6, 7, 8, 9 and 10 seek Shareholder approval for the grant of Options to the Recipient Directors as follows:

Name of Director	Total number of Options to be granted
Ms Melissa Sturgess	3,500,000
Mr Terry Tucker	3,500,000
Mr Martyn Churchouse	2,000,000
Mr David Pettman	1,500,000
Mr Michael Langoulant	1,500,000
Dr Evan Kirby	1,500,000

The number of Options proposed to be granted to the Recipient Directors reflects the level of commitment provided or to be provided by each Recipient Director to the Company, taking into account the responsibilities of each Recipient Director and the time commitments required from each Recipient Director. The number of Options proposed to be granted to the Recipient Directors also reflects the value the Board feels that each Recipient Director brings to the enhancement of the Company.

The Options will be granted to the Recipient Directors in 3 tranches in accordance with the following table:

Name of Director	Number of Options in Tranche A	Number of Options in Tranche B	Number of Options in Tranche C
Ms M Sturgess	1,166,667	1,166,667	1,166,667
Mr T Tucker	1,166,667	1,166,667	1,166,667
Mr M Churchouse	666,667	666,667	666,667
Mr D Pettman	500,000	500,000	500,000
Mr M Langoulant	500,000	500,000	500,000
Dr E Kirby	500,000	500,000	500,000

The exercise prices of the Options offered to the Recipient Directors are:

- (a) in respect of the Tranche A Options, AUD0.35, which is 17% higher than the weighted average price of the Company's Shares over the last 5 days the Shares traded prior to the date of this Notice of Meeting
- (b) in respect of the Tranche B Options, AUD0.42 which is 40% higher than the weighted average price of the Company's Shares over the last 5 days the Shares traded prior to the date of this Notice of Meeting; and
- (c) in respect of the Tranche C Options AUD0.50 which is 67% higher than the weighted average price of the Company's Shares over the last 5 days the Shares traded prior to the date of this Notice of Meeting.

The Options to be granted pursuant to Resolutions 5, 6, 7, 8, 9 and 10 are in addition to the fee and remuneration packages payable by the Company to the Recipient Directors.

3.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

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

For the purposes of Chapter 2E, each Recipient Director is a related party and the grant of Options to the Recipient Directors constitutes the giving of a financial benefit. Accordingly, Shareholder approval is required.

In accordance with the requirements of Chapter 2E, and in particular with section 219, of the Corporations Act, the following information is provided to Shareholders to allow them to assess the proposed grant of Options:

- (c) the Recipient Directors are each related parties of the Company to whom proposed Resolutions 5, 6, 7, 8, 9 and 10 would permit the financial benefit to be given;
- (d) the nature of the financial benefit to be given to Ms Sturgess is the grant of 3,500,000 Options.
- (e) the nature of the financial benefit to be given to Ms Tucker is the grant of 3,500,000 Options.
- (f) the nature of the financial benefit to be given to Mr Churchouse is the grant of 2,000,000 Options.
- (g) the nature of the financial benefit to be given to Mr Pettman is the grant of 1,500,000 Options.
- (h) the nature of the financial benefit to be given to Mr Langoulant is the grant of 1,500,000 Options.
- (i) the nature of the financial benefit to be given to Mr Kirby is the grant of 1,500,000 Options.
- (j) the Options will be granted for no cash consideration. The terms of the Options are summarised in Appendix A.
- (k) as at the date of this Notice, the capital structure of the Company is as follows:

Capital	Number
Ordinary Shares	452,935,583
Options (AUD0.11 exercisable on or before 30 June 2012)	5,800,000
Options (AUD0.13 exercisable on or before 31 December 2012)	1,280,000
Options (AUD0.15 exercisable on or before 31 December 2012)	7,000,000

Options (AUD0.17 exercisable on or before 30 June 2013)	250,000
Options (GBP0.174 exercisable on or before 13 June 2014)	22,311,995
Options (AUD0.31 exercisable on or before 30 June 2013)	3,250,000
Total ordinary shares on issue if all options on issue are exercised	492,827,578

If Shareholders approve all resolutions in this Notice and all Options are issued as contemplated by this Notice, the issued capital of the Company would be as follows:

Capital	Number
Ordinary Shares	452,935,583
Options (AUD0.11 exercisable on or before 30 June 2012)	5,800,000
Options (AUD0.13 exercisable on or before 31 December 2012)	1,280,000
Options (AUD0.15 exercisable on or before 31 December 2012)	7,000,000
Options (AUD0.17 exercisable on or before 30 June 2013)	250,000
Options (GBP0.174 exercisable on or before 13 June 2014)	22,311,995
Options (AUD0.31 exercisable on or before 30 June 2013)	3,250,000
Options (AUD0.35 exercisable on or before 31 December 2015)	4,500,000
Options (AUD0.42 exercisable on or before 31 December 2015)	4,500,000
Options (AUD0.50 exercisable on or before 31 December 2015)	4,500,000
Total ordinary shares on issue if all options on issue are exercised	506,327,578

If Shareholders approve the grant of 13,500,000 Options to the Recipient Directors and all of those Options are exercised, the effect will be to dilute the shareholding of existing members by approximately 2.67%, based on the number of shares in the Company as at the date of this Notice and assuming all existing Options are exercised.

- (l) as at the date of this Notice, the Recipient Directors hold the following securities in the Company :

Director	Number of Shares held directly and/or indirectly	Number of Options held directly or indirectly	Fully diluted interest
Ms M Sturgess	7,819,855	-	1.59%
Mr T Tucker	1,000,000	1,000,000	0.40%
Mr M Churchouse	-	2,000,000	0.40%
Mr D Pettman	220,000	2,000,000	0.44%
Mr M Langoulant	3,486,129	-	0.71%
Dr E Kirby	3,325,729	-	0.67%

If Shareholders approve all Resolutions contained in this Notice, and all Options are granted as contemplated by this Notice, the Recipient Directors will hold the following securities in the Company:

Director	Number of Shares held directly or indirectly	Number of Options held directly or indirectly	Fully diluted interest
Ms M Sturgess	7,819,855	3,500,000	2.23%
Mr T Tucker	1,000,000	4,500,000	1.08%
Mr M Churchouse	-	4,000,000	0.79%
Mr D Pettman	220,000	3,500,000	0.73%
Mr M Langoulant	3,486,129	1,500,000	0.98%
Dr E Kirby	3,325,729	1,500,000	0.95%

- (m) details of the Recipient Directors' remuneration for the financial year end 30 June 2010 are as follows:

Director	Base fees (\$)	Salary and Consulting (\$)	Super-annuation (\$)	Share and option based payments (\$)	Total (\$)
Ms M Sturgess	54,528	323,297	1,575	106,947	486,347
Mr T Tucker	-	41,780	-	240,000	281,780
Mr M Churchouse	50,018	223,040	-	27,226	300,284
Mr D Pettman	19,032	18,575	-	27,226	64,833
Mr M Langoulant	71,911	54,000	4,971	54,009	184,891
Dr E Kirby	71,911	60,341	4,971	54,009	191,232

- (n) the market price for the underlying shares during the term of the Options would normally determine whether or not the Recipient Directors would exercise the Options. If, at the time any of the Options are exercised, the price of the underlying shares is higher than the exercise price of the Options, there may be a perceived cost to the Company;
- (o) during the last 12 months before the date of lodgement of this Notice with ASIC, the highest trading price of the Shares was \$0.35 on 24 June 2010 and the lowest trading price of the Shares was \$0.11 on 7 November 2009. The market price of the Company's Shares over the last 5 days of trading on ASX up to and including 8 October 2010 has been between a minimum of \$0.28 per Share to a maximum of \$0.305 per Share. On 8 October 2010, the last trading day before this Notice of Meeting was lodged with the ASIC, the Shares closed at a price of \$0.295 per Share;
- (p) the primary purpose of the grant of Options to the Recipient Directors is to provide an incentive and reward to the Recipient Directors. Given this purpose, the Board does not consider that there is any opportunity cost or benefit foregone to the Company in granting the Options proposed by Resolutions 5, 6, 7, 8, 9 and 10;
- (q) the grant of Options to the Recipient Directors is a more cost effective incentive for the Company as opposed to the payment of cash compensation;
- (r) Ms Sturgess has a material personal interest in the outcome of Resolution 5, Mr Tucker has a material personal interest in the outcome of Resolution 6, Mr Churchouse has a material personal interest in the outcome of Resolution 7, Mr Pettman has a material personal interest in the outcome of Resolution 8, Mr Langoulant has a material personal interest in the outcome of Resolution 9 and Dr Kirby has a material personal interest in the outcome of Resolution 10; as the recipients of the Options proposed to be granted;
- (s) none of the Recipient Directors wish to make a recommendation to Shareholders about Resolutions 5, 6, 7, 8, 9 and 10 because each has an interest in the outcome of those Resolutions;
- (t) the Company has no directors other than the Recipient Directors;
- (u) a valuation of the Options proposed to be granted proposed to be issued to the Recipient Directors is set out below;

- (v) additional information in relation to Resolutions 5, 6, 7, 8, 9 and 10 is set out throughout this Explanatory Memorandum. Shareholders should therefore read the Explanatory Memorandum in its entirety before making a decision on how to vote on Resolutions 5, 6, 7, 8, 9 and 10;
- (w) the Company will incur no liabilities or costs in respect of the proposed grant of the Options to the Recipient Directors other than:
 - (i) the fees payable to ASX for quotation of the Shares that may be issued upon exercise of the Option to be granted to the Recipient Directors.
 - (ii) a value equal to the market value of the underlying Shares that could be acquired by exercising the Options, as at the day on which the Options vest, minus the lowest amount that must be paid to exercise the Options to acquire those Shares, will be included as wages for the purposes of *Pay-roll Tax Act 2002 (WA)*, *Pay-roll Tax Assessment Act 2002 (WA)* and *the Taxation Administration Act 2003 (WA)*. If this value in addition to other wages paid or payable by the Company during a month is in excess of the monthly pay-roll tax threshold, the Company may be required to register for pay-roll tax in the relevant jurisdiction. If this value in addition to other wages that are taxable in the jurisdiction is in excess of the annual pay-roll tax threshold, the Company will have a liability in respect of pay-roll tax in that jurisdiction;
- (x) neither the Board nor the Company is aware of any other information that would be reasonably be required by Shareholders in order to decide whether it is in the best interests of the Company to pass Resolutions 5, 6, 7, 8, 9 and 10 other than as stated in this Explanatory Memorandum; and

3.3 Valuation of Options

The values for each separate Tranche of the Options to be granted to the Recipient Directors have been calculated using a binomial option pricing model. These values and the assumptions used to reach these values are as follows:

	Tranche A Exercise price \$0.35	Tranche B Exercise price \$0.42	Tranche C Exercise price \$0.50
Price on date of issue	\$0.30	\$0.30	\$0.30
Risk free rate %	4.95%	4.95%	4.95%
Dividend yield	-	-	-
Volatility	100%	100%	100%
Expected life (years)	3.05	3.55	4.05
Theoretical option value	\$0.184	\$0.1888	\$0.1929

Based on the assumptions outlined above and using a share price on the date of issue assumption of \$0.25, the binominal option pricing model attributes theoretical values of \$0.1467, \$0.1504 and \$0.1534 per Tranche A, Tranche B and Tranche C Options respectively.

Based on the assumptions outlined above and using a share price on the date of issue assumption of \$0.35, the binominal option pricing model attributes theoretical values of \$0.2213, \$0.2273 and \$0.2324 per Tranche A, Tranche B and Tranche C Options respectively.

The value of the Options to be granted to the Recipient Directors, at the various share prices on the date of issue as noted above, are as follows:

Director	Value of Options Assuming share price of \$0.25 on date of issue	Value of Options Assuming share price of \$0.30 on date of issue	Value of Options Assuming share price of \$0.35 on date of issue
Ms M Sturgess	526,000	660,000	795,000
Mr T Tucker	526,000	660,000	795,000
Mr M Churchouse	300,000	377,000	454,000
Mr D Pettman	225,000	283,000	341,000
Mr M Langoulant	225,000	283,000	341,000
Dr E Kirby	225,000	283,000	341,000

3.4 **ASX Listing Rule 10.11**

ASX Listing Rule 10.11 provides, in essence, that the approval of ordinary shareholders by ordinary resolutions is required before the Company can issue equity securities to any of the following persons:

- (a) a related party; or
- (b) a person whose relationship with the company or a related party is, in ASX's opinion, such that approval should be obtained.

Each of the Recipient Directors is a related party of the Company for the purpose of Listing Rule 10.11. Accordingly, in order for the Recipient Directors to be granted Options, the Company must obtain Shareholder approval pursuant to ASX Listing Rule 10.11.

3.5 **ASX Listing Rule disclosure requirements**

In accordance with ASX Listing Rule 10.13, the following information is provided to Shareholders in relation to Resolutions 5, 6, 7, 8, 9 and 10:

- (a) The Options will be granted to Ms Sturgess, Mr Tucker, Mr Churchouse, Mr Pettman, Mr Langoulant and Dr Kirby, all of whom are Directors of the Company,
- (b) the maximum number of Options that may be granted to Ms Sturgess under Resolution 5 is 3,500,000, to Mr Tucker under Resolution 6 is 3,500,000; to Mr Churchouse under Resolution 7 is 2,000,000; to Mr Pettman under Resolution 8 is 1,500,000; to Mr Langoulant under Resolution 9 is 1,500,000 Shares and to Dr Kirby under Resolution 10 is 1,500,000;
- (c) the Options will be granted within a month of the date of the meeting;
- (d) the exercise price of the Options will be
 - in respect of Tranche A Options- AUD0.35;
 - in respect of Tranche B Options– AUD0.42; and
 - in respect of Tranche C Options – AUD0.50

- (e) the Options will be granted for no consideration and accordingly, there will be no funds raised pursuant to the grant of the Options. Further funds may be raised on the eventual exercise of the Options, however, there is no guarantee that the Options will be exercised at any time. Any funds raised from the exercise of the Options will be used for the purpose of providing working capital to the Company;
- (f) The terms of the Options are set out in Appendix A of this Explanatory Memorandum;
- (g) the expiry date of the Options will be 31 December 2015; and
- (h) a voting exclusion statement in respect of each of Resolutions 5,6,7,8,9 and 10 is in the Notice.

4. Glossary of Terms

The following terms and abbreviations used in the Notice of Meeting and this Explanatory Memorandum have the following meanings:

\$ and **AUD** means Australian dollars.

AIM means the AIM Market of the LSE.

AIM Rules means the rules applicable to companies listed on the AIM or the LSE (as applicable).

Annual Financial Report means the Company's financial report contained in the Annual Report.

Annual General Meeting or **Meeting** means the annual general meeting of Shareholders to be held at the Celtic Club 48 Ord Street, West Perth, Western Australia at 4.00pm on 24 November 2010 or any adjournment thereof.

Annual Report means the Company's annual report for the year ending 30 June 2010.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

AUD means Australian dollars.

Auditor's Report means the independent auditor's report contained in the Annual Report.

Board means the board of Directors.

Company and **Nyota** means Nyota Minerals Limited ABN 98 060 938 552.

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

Directors means the directors of the Company, from time to time.

Directors' Report means the director's report contained in the Annual Report.

Explanatory Memorandum means this explanatory memorandum.

Listing Rules means the official listing rules of ASX.

LSE means London Stock Exchange Plc.

Notice means the notice of the Annual General Meeting which accompanies the Explanatory Memorandum.

Option means an option to subscribe for Shares.

Recipient Directors means Ms Melissa Sturgess, Mr Terry Tucker, Mr Martyn Churchouse, Mr David Pettman, Mr Michael Langoulant and Dr Evan Kirby.

Remuneration Report means the remuneration report contained in the Annual Report.

Resolution means a resolution in the Notice of Annual General Meeting.

Section means a section of this Explanatory Memorandum.

Shareholder means a registered holder of Shares.

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

WST means Western Standard Time in Perth, Western Australia.

APPENDIX A – Terms and Conditions of Options to be Granted to Directors

- **Issue Price** - Options granted will be granted free of charge.
- **Exercise Price** - The exercise price of Options will be
 - i) in respect of Tranche A - AUD0.35.
 - ii) in respect of Tranche B - AUD0.42.
 - iii) in respect of Tranche C - AUD0.50.
- **Expiry Date** - The expiry date of the options will be 31 December 2015.
- **Vesting Conditions** – Tranche A Options vest 12 months from the date of issue;
Tranche B Options vest 24 months from the date of issue; and
Tranche C Options vest 36 months from the date of issue

The Options will lapse within one month of the recipient ceasing to be a director/employee/consultant of the Company.

- **Exercise** - Each Option, after it has vested, may be exercised at any time on or before the Expiry Date by forwarding to the Company at its principal office the exercise notice, duly completed together with payment of the Exercise Price per Option exercised.
- **Restriction on Quotation** – No application will be made for the Options to be quoted on either ASX or AIM.
- **Restriction on Transfer** - Options may not be transferred without the prior written approval of the Board.
- **Adjustment of Options** - If, prior to the expiry of the Options, there is a reorganisation of the issued share capital of the Company (including a consolidation, subdivision or reduction of capital or return of capital to shareholders), the number of Shares subject to the option and/or the exercise price will be adjusted in the manner required by the Listing Rules.
- **Bonus issue and rights issues** – Option Holders are required to exercise an Option in order to participate in a bonus or entitlement issue made by the Company. Option Holders will be provided with written notice of the terms of the issue to shareholders and afforded that period as determined by the Listing Rules to exercise their Options if they wish to participate in the bonus or entitlement issue.
- **Shares issued on Exercise of Options** - Shares which are issued as a result of the exercise of Options will rank equally in all respects with all Shares on issue and the Company will apply for quotation of those Shares on ASX and AIM.
- **Rights on exercise of Options** - Dividends will not accrue on the shares in respect of which an Option was exercised until the exercise price has been paid in full in cash. No Option Holder may exercise any votes attaching to the shares in respect of which an Option was exercised until the exercise price has been paid in full in cash.
- **Takeover condition**– All Options automatically vest upon a takeover offer being made for control of the Company.

PROXY AND VOTING ENTITLEMENT INSTRUCTIONS

PROXY INSTRUCTIONS

Shareholders are entitled to appoint up to two individuals or bodies corporate to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the Shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be deposited at or sent by facsimile transmission to the Company's office, **Suite 2, 5 Ord Street, West Perth WA 6005, +61 8 9324 2977**, not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual or body corporate named in the proxy form proposes to vote.

The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Corporations Act.

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

In the case of Shares jointly held by two or more persons, all joint holders must sign the proxy form.

A proxy form is attached to this Notice.

VOTING ENTITLEMENT

For the purposes of determining voting entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at 5.00pm (WST) Monday, 22 November 2010. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

QUESTIONS FROM SHAREHOLDERS

At the Meeting the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.

Mr Pierre Dreyer, as the auditor responsible for preparing the auditor's report for the year ended 30 June 2010 (or his representative) will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- (a) the conduct of the audit;
- (b) the preparation and content of the auditor's report;
- (c) the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have by mail to **Suite 2, 5 Ord Street, West Perth WA 6005**, or by fax to **+61 8 9324 2977** so that it is received by no later than 5.00pm (WST) on Wednesday, 17 November 2010.

As required under section 250PA of the Corporations Act, at the Meeting, the Company will distribute a list setting out the questions directed to the auditor received in writing by Wednesday, 17 November 2010, being questions which the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the financial report for the year ended 30 June 2010. The Chairman will allow reasonable opportunity to respond to the questions set out on this list.

NYOTA MINERALS LIMITED
ABN 98 060 938 552

PROXY FORM

Nyota Minerals Limited, Suite 2, 5 Ord Street, West Perth WA 6005,

Facsimile +61 8 9324 2977

I/We _____

of _____

being a Shareholder/(s) of Nyota Minerals Limited ("**Company**") and entitled to

_____ Shares in the Company

hereby appoint _____

of _____

or failing him/her/it _____

of _____

or failing him/her/it the Chairman as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at the Celtic Club 48 Ord Street, West Perth, Western Australia at 4.00pm (WST) on Wednesday, 24 November 2010 and at any adjournment thereof in respect of _____ of my/our Shares or, failing any number being specified, **ALL** of my/our Shares in the Company.

If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is []%.
(An additional proxy form will be supplied by the Company on request.)

If you wish to indicate how your proxy is to vote, please tick the appropriate places below. If no indication is given on a Resolution, the proxy may abstain or vote at his/her/its discretion.

In relation to undirected proxies, the Chairman intends to vote in favour of all of the Resolutions.

If you do not wish to direct your proxy how to vote, please place a mark in the box.

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of a Resolution and votes cast by him 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 Chairman will not cast your votes on the Resolution and your votes will not be counted in calculating the required majority if a poll is called on the Resolution.

I/we direct my/our proxy to vote as indicated overleaf:

