



POWER
RESOURCES LIMITED
ABN 69 125 345 502

9 September 2009

ASX ANNOUNCEMENT

The Company Announcements Office
Australian Stock Exchange Limited

Via E lodgement

Postponement of General Meeting

I am writing to bring you up to date with important issues facing your company in relation to attempts by parties associated with Brett Matich to take control of Power Resources Limited (Power).

The majority of your Board believes this attempt is not in the best interests of shareholders and, if successful, would see effective control of the company pass to a group of minority shareholders with a clear agenda.

Further to my letter to you of 19 August 2009, I now wish to advise that the Board of Power has exercised the power vested in it pursuant to the Company's Constitution to postpone the shareholder meeting called by Colbern Nominees Pty Ltd on 8 October 2009 for a period of 39 days to 16 November 2009 at 2.00pm at The Esplanade River Suites, 112 Melville Parade, Como.

The new date and location of the meeting has been chosen to minimise inconvenience to shareholders. Power has traditionally held its AGM at this venue and has already made arrangements to hold the Company's 2009 AGM at the same venue on the morning of 17 November 2009.

In view of the postponement of the meeting and the clarification in relation to various other matters concerning the general meeting set out below and in my letter of 19 August 2009 to you, you will find a new proxy form enclosed with this letter.

If you have already returned the proxy form sent to you by Colbern Nominees and wish to change your vote, you can submit a new proxy form which will have the effect of revoking your prior proxy form.

Apparent irregularities in relation to tenement

One of the reasons your Board has considered it appropriate to postpone the general meeting is to enable your Board to properly investigate and report to shareholders in relation to apparent irregularities concerning one of Power's tenements involving Mr Marc Clifton, the sole shareholder, director and secretary of Colbern Nominees.

The issue relates to the surrender of a tenement owned by Power without the Company's knowledge. When Power recently conducted a check on the status of its tenements with the Department of Minerals & Petroleum, we were provided with a copy of a document purporting to surrender the tenement. The tenement in question was surrendered on the basis of a document

which appears to have been signed by Mr Clifton. Mr Clifton was previously a director of the company that held the tenement but resigned from that position on 21 December 2006.

The surrender document was signed on 5 April 2009. It appears to have been signed by Marc Clifton who purported to be the sole director and company secretary. The document appears to have been witnessed by Dan Matich, Marc Clifton's stepfather.

Dan Matich is the principal of D&L Tenement Services which, until recently, was Power's tenement manager. Three separate applications for new tenements have been lodged by other parties over parts of the ground covered by the surrendered tenement.

The Board of Power is treating the unauthorised tenement surrender issue very seriously.

Power's lawyers have written to the Minister for Minerals & Petroleum in relation to this matter and may need to make an application to the Supreme Court to seek to have ownership of the tenement restored.

I have also asked the Company's lawyers to write to both Mr Clifton and Mr Matich in relation to this matter as part of the Board's investigation.

Information in relation to Colbern Nominees

I am now able to provide you with further information in relation to Colbern Nominees and issues surrounding the true ownership of that company.

On 7 September 2009, Colbern Nominees lodged with ASX and sent to Power amended documents in relation to its shareholding in Power, whereby Colbern Nominees assert that Mrs Marie Therese Matich holds a power of attorney granted by Colbern Nominees and is the beneficial owner and controller of the shares in Colbern Nominees.

The relevant power of attorney is dated 1 September 2006 and whilst no date has been provided as to when Mrs Matich became the beneficial owner and controller of the shares in Colbern Nominees, she does claim to have had that interest from at least 15 February 2008 when Power issued shares to Colbern Nominees. Mrs Matich is the mother of Dan and Brett Matich.

Having received this information, I reviewed Power's records which disclosed that on 5 February 2008 Mr Clifton signed an ASX Restriction Agreement with Power whereby he claimed to be the controlling shareholder of Colbern Nominees at that date and agreed not to deal with his interest for the 12 month restriction period.

Given the apparent inconsistency between these documents, I have asked the Company's lawyers to write to both Mr Clifton and Mrs Matich for an explanation.

We believe this issue needs to be clarified as a matter of urgency given Colbern's pivotal role in seeking to remove the majority of the Board of Power and appoint Brett Matich and another nominee of Colbern.

Supreme Court injunction

Shareholders should also be aware that Power has been joined as a party to Supreme Court litigation commenced by a Power shareholder, Sincere Liberty Finance Company Limited, against another Power shareholder, Burnell Investments Pty Ltd.

In response to a beneficial tracing notice, Sincere Liberty Finance Company Limited has indicated that Paul Matich is the controlling shareholder of Sincere Liberty Finance Company Limited. Paul Matich is the father of Dan and Brett Matich.


Sincere Liberty Finance Company Limited obtained an ex parte injunction against Burnell Investments Pty Ltd which, amongst other things, prevents Burnell Investments Pty Ltd voting its shares in Power.

Burnell Investments Pty Ltd has advised Power that it intends to make application to the Supreme Court to have the injunction varied so that Burnell Investments Pty Ltd will be able to vote its shares at the forthcoming shareholder meeting.

Further information

As soon as Power has further information to share with you in relation to the matters above, I will write to you again to update you. In the meantime, I welcome the opportunity to discuss any queries shareholders have in relation to any of these matters. Enquiries can be directed to Paul Ryan from FD Third Person at (08) 9386 1233 or email at paul.ryan@fdthirdperson.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Vincent Hyde', written in a cursive style.

Vincent Hyde
Executive Chairman

POWER RESOURCES LIMITED

ABN 69 125 345 502

PROXY FORM

Shareholder's Name and Address

Please write your name(s) above

Please write your address above

Appointment of Proxy

I/We appoint as proxy to vote in accordance with the following directions (or if no directions have been given, as the proxy or Chairman see fit) at the General Meeting of the Company to be held at the Esplanade River Suites, 112 Melville Parade, Como, Western Australia on Monday, 16 November 2009, at 2:00pm (WST) (and at any adjournment thereof).

or the Chairman of the meeting

Name and address of person you are appointing as your first proxy (if not the meeting Chairman) and/or failing him

Appointing a Second Proxy

Name and address of person you are appointing as your second proxy (if not the meeting Chairman)

Proxy 1 is appointed to represent _____% of my voting right, or if 2 proxies are appointed, Proxy 1 represents _____% and Proxy 2 represents _____% of my total votes. My total voting right is _____ shares.

Note: If the appointment does not specify the proportion or number of votes that the proxy may exercise, each proxy may exercise half the votes.

	For	Against	Abstain*
1 REMOVAL OF VINCENT KENNETH HYDE AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 APPOINTMENT OF BRETT ROBERT MATICH AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 REMOVAL OF CECIL CHE-CHEUN LEE AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 APPOINTMENT OF BRUCE ROBERT ERROL FRANZEN AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item.

Contact Email address

Contact Telephone Number

Signature(s)

Shareholder 1

Director

Shareholder 2

Director/Secretary

Shareholder 3

Sole Director and Secretary

Proxies may be lodged either by facsimile to the Company on +61 8 9315 3299, by mail to PO Box 7202, Applecross LPO WA 6153, or delivered in person to 800 Canning Highway, Applecross, Western Australia 6153. To be valid, a proxy form must be received by the Company no later than 48 hours before the time appointed for the General Meeting. For assistance in completing this form, please refer to the instructions on the back of this form.

INSTRUCTIONS FOR COMPLETION OF THE PROXY FORM

Shareholders Name

This is the name of the shareholder as it appears on the Company's share register. For the purposes of this General Meeting, shares will be taken to be held by those persons who are the registered holders at 2:00pm WST on Saturday, 14 November 2009.

Appointment of Proxy

A shareholder entitled to attend and vote at the General Meeting is entitled to appoint not more than two persons (whether shareholders or not) as proxy or proxies to attend in the shareholder's place at the General Meeting. The proxy has the same right as the shareholder to speak and vote at the General Meeting. If you leave this section blank, the Chairman of the meeting will be your proxy.

Vote on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite the resolution/s you wish to direct your proxy to vote on. You can split your vote on any resolution/s by inserting the number/s of shares you wish to vote in the appropriate box/es. Please ensure you clearly mark the box by placing a mark or the number of shares you are voting.

Appointing a Second Proxy

If a shareholder appoints two proxies, each proxy may be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.

Contact Telephone and Email address

This will help us if there are any problems with your proxy form.

Signature(s)

Each shareholder must sign this form. If your shares are held in joint names, only one shareholder must sign but if a separate proxy form is lodged by more than one joint holder then the proxy lodged by the joint holder whose name appears first on the Company's share register will be valid to the exclusion of other proxies. If you are signing as an Attorney, then the Power of Attorney must accompany this form. Only duly authorised officer(s) can sign on behalf of a company. Please sign in the boxes provided which state the office held by the signatory.

Delivery of Proxy

To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this General Meeting, that is by 2:00pm (WST) Saturday, 14 November 2009, by either:

Facsimile: +61 8 9315 3299

Post: PO Box 7202, Applecross LPO WA 6153

Hand delivery: 800 Canning Hwy, Applecross WA 6153