



NOTICE OF ANNUAL GENERAL MEETING & EXPLANATORY STATEMENT

TO SHAREHOLDERS

Date and Time of Meeting: 2:30 pm (Perth time)
on Friday, 30 November 2007

Place of Meeting: Fremantle Room
Parmelia Hilton Hotel
14 Mill Street
Perth, Western Australia

IMPORTANT NOTICE

It is recommended that shareholders read this Notice of Annual General Meeting and Explanatory Statement booklet in full and if there is any matter that you do not understand, you should contact your financial adviser, stockbroker or solicitor for advice.

The Chairman of the Annual General Meeting will vote open proxies received in favour of all resolutions to be considered at the Annual General Meeting.

CONTENTS

Notice of AGM	2
Explanatory Statement	4
1. Resolution 1 - Re-election of John Stephenson as Director	4
2. Resolution 2 - Re-election of Farooq Khan as Director	4
3. Resolution 3 - Appointment of Grant Thornton as Auditor	4
4. Resolution 4 – Adoption of Remuneration Report	4
Annexure A – Nomination of New Auditor	5
Time and Place of Meeting and How to Vote	6

www.alarauranium.com

Visit our website for:

- Latest News
- Market Announcements
- Financial Reports

Register your email with us to
Receive latest Company
announcements and releases

EMAIL US AT:
info@alarauranium.com

CORPORATE DIRECTORY

BOARD

John Stephenson	Chairman
H. Shanker Madan	Managing Director
Farooq Khan	Executive Director

COMPANY SECRETARY

Victor Ho

PRINCIPAL & REGISTERED OFFICE

Level 14, The Forrest Centre
221 St Georges Terrace
Perth Western Australia 6000
Telephone: (08) 9214 9787
Facsimile: (08) 9322 1515
Email: info@alarauranium.com
Web: www.alarauranium.com

SHARE REGISTRY

Advanced Share Registry Services
110 Stirling Highway
Nedlands Western Australia 6009
Telephone: (08) 9389 8033
Facsimile: (08) 9389 7871
Email: admin@advancedshare.com.au
Web: www.asrshareholders.com

STOCK EXCHANGE

Australian Securities Exchange
Perth, Western Australia

ASX CODES

Shares - AUQ
\$0.25 (30 June 2008) Options - AUQO

AUDITORS

Grant Thornton (WA) Partnership
(formerly Bentleys MRI Perth Partnership)
Level 1, 10 Kings Park Road
West Perth, Western Australia 6005
Internet: www.grantthornton.com.au

PURPOSE OF THIS DOCUMENT

This Notice of Annual General Meeting and Explanatory Statement has been prepared for the purpose of providing shareholders with all the information known to the Company that is material to the shareholders' decision on how to vote on the proposed resolutions at the Annual General Meeting. Shareholders should read this Notice of Annual General Meeting and Explanatory Statement in full to make an informed decision regarding the resolutions to be considered at this Annual General Meeting.

This Notice of Annual General Meeting and Explanatory Statement is dated 19 October 2007.

ENQUIRIES

If you have any questions regarding the matters set out in this Notice of Annual General Meeting and Explanatory Statement, please contact the Company or your professional advisers.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting (**AGM**) of shareholders of Alara Uranium Limited A.C.N. 122 892 719 (**Company** or **Alara** or **AUQ**) will be held in the Fremantle Room at Parmelia Hilton Hotel, 14 Mill Street, Perth, Western Australia at 2:30 pm (Perth time) on Friday, 30 November 2007.

AGENDA

ORDINARY BUSINESS

1. Annual Reports

To consider and receive the 2007 Directors' Report, Financial Statements and Audit Report of the Company, which are contained in the Company's 2007 Annual Report.

The 2007 Annual Report accompanies this Notice of AGM if shareholders have elected to receive a printed version. Otherwise, an electronic version of the 2007 Annual Report may be viewed and downloaded from the Company's website: www.alauranium.com or emailed to shareholders upon request to info@alauranium.com

2. Resolution 1 - Re-Election of John Stephenson as Director

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

"That John Stephenson, having been appointed a Director by the Board of Directors of the Company since the last annual general meeting of the Company and who automatically retires at this annual general meeting in accordance with clause 8 of the Company's constitution, be and is hereby re-elected as a Director of the Company"

3. Resolution 2 - Re-Election of Farooq Khan as Director

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

"That Farooq Khan, having been appointed a Director by the Board of Directors of the Company since the last annual general meeting of the Company and who automatically retires at this annual general meeting in accordance with clause 8 of the Company's constitution, be and is hereby re-elected as a Director of the Company"

4. Resolution 3 – Appointment of Auditor

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

"That Grant Thornton (WA) Partnership A.B.N. 25 276 407 950, having been nominated by a shareholder and consented to act, be appointed auditor of the Company"

5. Resolution 4 - Adoption of Remuneration Report

To consider, and if thought fit, to pass the following resolution as an advisory non-binding resolution:

"That the Remuneration Report as detailed in the Directors' Report for the year ended 30 June 2007 be adopted"

DATED THIS 19TH DAY OF OCTOPER 2007

BY ORDER OF THE BOARD



**VICTOR HO
COMPANY SECRETARY**

NOTES:

Defined Terms

All terms defined in a resolution shall apply for all other resolutions in this Notice of AGM.

Role of ASX

A copy of this Notice of AGM and Explanatory Statement has been lodged with ASX. ASX nor any of its officers takes any responsibility for the contents of the Notice of AGM and Explanatory Statement.

EXPLANATORY STATEMENT

This Explanatory Statement is provided to the shareholders of Alara Uranium Limited (**Alara or Company** or **AUQ**) pursuant to and in satisfaction of the *Corporations Act 2001 (Cth)* (Corporations Act) and the Listing Rules of the Australian Securities Exchange (**ASX**). This Explanatory Statement is intended to be read in conjunction with the Notice of Annual General Meeting (**AGM**).

1. RESOLUTION 1 – RE-ELECTION OF JOHN STEPHENSON AS DIRECTOR

Resolution 1 seeks the re-election of John Stephenson as a Director of the Company.

The Board appointed Dr Stephenson as Chairman on 18 May 2007. In accordance with the constitution of the Company, Dr Stephenson is subject to re-election at the next AGM of the Company. Dr Stephenson's qualifications and experience are detailed in the Directors' Report section of the Company's 2007 Annual Report.

2. RESOLUTION 2 – RE-ELECTION OF FAROOQ KHAN AS DIRECTOR

Resolution 2 seeks the re-election of Farooq Khan as a Director of the Company.

The Board appointed Mr Khan as an Executive-Director on 18 May 2007. In accordance with the constitution of the Company, Mr Khan is subject to re-election at the next AGM of the Company. Mr Khan's qualifications and experience are detailed in the Directors' Report section of the Company's 2007 Annual Report.

3. RESOLUTION 3 – APPOINTMENT OF NEW AUDITOR

Alara was incorporated on 6 December 2006 and under section 327A Corporations Act, current auditor, Grant Thornton (WA) Partnership (formerly Bentleys MRI Perth Partnership) (**Grant Thornton**) holds office as auditor only until Alara's first AGM.

Under section 327B Corporations Act, Alara is required to appoint an auditor at its first AGM. In accordance with Corporations Act, the Company has sought and obtained a nomination from a shareholder for Grant Thornton to be appointed as the Company's auditor. A copy of this nomination is attached to this Explanatory Statement as Annexure A.

Grant Thornton have given their written consent to act as the Company's auditor subject to shareholder approval of this Resolution 3.

If Resolution 3 is passed, the appointment of Grant Thornton as the Company's auditor will take effect at the close of this AGM.

4. RESOLUTION 4 – ADOPTION OF REMUNERATION REPORT

Sections 249L and 250R of the Corporations Act requires that a resolution be put to the shareholders to adopt the Remuneration Report as disclosed in the Directors' Report. The vote on this resolution is advisory only and does not bind the directors or the Company.

The Remuneration Report is set out in the Directors' Report section of the Company's 2007 Annual Report. Shareholders will also be provided with a reasonable opportunity to ask questions or make statements in relation to the Remuneration Report.

Annexure A

Nomination from a shareholder for the appointment of Grant Thornton (WA) Partnership as Auditor the subject of Resolution 37

19 October 2007

The Company Secretary
Alara Uranium Limited
Level 14, The Forrest Centre
221 St Georges Terrace
Perth WA 6000

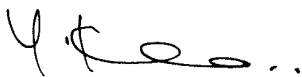
Dear Sirs

NOMINATION OF GRANT THORNTON (WA) PARTNERSHIP AS AUDITOR OF ALARA URANIUM LIMITED

We, Orion Equities Limited, being a shareholder of Alara Uranium Limited, hereby nominate Grant Thornton (WA) Partnership A.B.N. 25 276 407 950 of Level 1, 10 Kings Park Road, West Perth, Western Australia, for appointment as auditor of Alara Uranium Limited at its 2007 Annual General Meeting.

We consent to the distribution of a copy of this notice of nomination as an annexure to the Notice of Annual General Meeting and Explanatory Statement of Alara Uranium Limited as required by section 328B (3) of the *Corporations Act 2001 (Cth)*.

Executed by Orion Equities Limited in accordance with its constitution,



Director



Director

TIME AND PLACE OF AGM AND HOW TO VOTE

Venue

The AGM of the shareholders of Alara Uranium Limited will be held at:

Fremantle Room	commencing	2:30 pm (Perth time)
Parmelia Hilton Hotel		Friday, 30 November 2007
14 Mill Street		
Perth, Western Australia		

How to Vote

You may vote by attending the meeting in person, by proxy or by authorised representative.

Voting in Person

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

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of AGM as soon as possible and either:

- send the proxy by facsimile to the Company on facsimile number (08) 9322 1515; or
- deliver the proxy to the registered office of the Company at Level 14, The Forrest Centre, 221 St Georges Terrace, Perth, Western Australia 6000.

so that it is received by the Company **not later than 2:30 pm (Perth time) on Wednesday, 28 November 2007**.

Your proxy form is enclosed.

Bodies corporate

A body corporate may appoint an individual as its authorised corporate representative to exercise any of the powers the body may exercise at meetings of a company's shareholders. A properly executed original (or certified copy) of an appropriate "Appointment of Corporate Representative" should be produced for admission to the meeting. Previously lodged Appointments of Corporate Representative will be disregarded by the Company.

Powers of Attorney

A person appearing as Power of Attorney for a shareholder should produce a properly executed original (or certified copy) of an appropriate Power of Attorney for admission to the meeting. Previously lodged Powers of Attorney will be disregarded by the Company.

Voting Entitlement

In accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the AGM all shares in the Company will be taken to be held by the persons who held them as registered shareholders at 5 pm (Perth time) on 28 November 2007 (**Voting Entitlement Time**). Subject to the voting exclusions noted below, all holders of shares in the Company as at the Voting Entitlement Time will be entitled to vote at the AGM.

www.alauranium.com

ALARA URANIUM LIMITED

A.B.N. 27 122 892 719

Registered Office:

Level 14, The Forrest Centre
221 St Georges Terrace
Perth Western Australia 6000
T | (08) 9214 9787
F | (08) 9322 1515
E | info@alauranium.com

ASX Code: AUQ



Advanced Share Registry Services:

110 Stirling Highway
Nedlands Western Australia 6009
T | (08) 9389 8033
F | (08) 9389 7871
E | admin@advancedshare.com.au
W | www.asrshareholders.com

PROXY FORM

ALARA URANIUM LIMITED
A.B.N. 27 122 892 719

www.alauraniu.com

PLEASE RETURN TO:
The Company Secretary
Alara Uranium Limited
Level 14, The Forrest Centre
221 St Georges Terrace, Perth WA 6000
Enquiries: (08) 9214 9787
Facsimile: (08) 9322 1515
Email: info@alauranium.com

Name1
Name2
Name3
Name4
Name5
Name6

Holder ID: {}
Shares held as at [] October 2007: {}

A. Appointment of Proxy

I/We being a member/s of Alara Uranium Limited and entitled to attend and vote hereby appoint

- The Chairman of the Meeting (mark with an "X") *(If you have appointed the Chairman of the Meeting to exercise your proxy, by marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of a particular resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. The Chairman intends to vote all Chairman's Open Proxies in favour of all resolutions.)*

OR

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

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the AGM of Alara Uranium Limited to be held **Fremantle Room, at Parmelia Hilton Hotel, 14 Mill Street, Perth**, Western Australia at **2:30 pm (Perth time) on Friday, 30 November 2007** and at any adjournment of such AGM

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

RESOLUTIONS

	For	Against	Abstain*
(1) Re-election of John Stephenson as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(2) Re-election of Farooq Khan as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(3) Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(4) Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If two proxies are being appointed, the proportion of voting rights this proxy represents is:

_____ %

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

C. Change of Address and Annual Report Elections (see notes 1 and 2 overleaf)

- Mark 'X' if you want to make any changes to your address details
- Mark this box with an 'X' if you wish to receive a printed Annual Report by post
- Mark this box with an 'X' if you wish to receive an electronic Annual Report by email and specify your email address below

D. PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf

Individual or Shareholder 1	Joint Shareholder 2	Joint Shareholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name

Contact Daytime Telephone

Date

Email

INSTRUCTIONS FOR COMPLETING PROXY FORM

1. Change of Address

Your pre-printed name and address is as it appears on the share register of Bentley International Limited. If this information is incorrect, please mark the box at **Section C** of the proxy form and make the correction at the top of the form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. Annual Report Elections

The Australian Government recently introduced legislation changing the default option for receiving annual reports. Companies are no longer required to mail out printed annual reports to shareholders. Instead, shareholders can now make an election as follows:

- (a) make a written request for a hard copy annual report to be mailed to you; or
- (b) make a written request for an electronic copy of the annual report to be emailed to you.

If you wish to update your annual report elections, please complete **Section C** of the Proxy Form.

3. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.

4. A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment do not specify this proportion, each proxy may exercise half of the votes.

5. A proxy need not be a shareholder of the Company.

6. If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

7. If a representative of a company shareholder is to attend the meeting, a properly executed original (or certified copy) of the appropriate 'Appointment of Corporate Representative' should be produced for admission to the meeting. Previously lodged Appointments of Corporate Representative will be disregarded by the Company.

8. If a representative as Power of Attorney of a shareholder is to attend the meeting, a properly executed original (or certified copy) of an appropriate Power of Attorney should be produced for admission to the meeting. Previously lodged Powers of Attorney will be disregarded by the Company.

9. Signing Instructions

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

- Individual:** Where the holding is in one name, the holder must sign.
- Joint Holding:** Where the holding is in more than one name, all of the shareholders should sign.
- Power of Attorney:** If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form.
- Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person.

If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone.

Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

10. Lodgment of a Proxy

This Proxy Form (and the original or certified copy of any Power of Attorney under which it is signed) must be received at the address below not later than **2:30 pm (Perth time) on 28 November 2007** (48 hours before the commencement of the meeting). Any Proxy Form received after that time will not be valid for the meeting.

Proxy Forms may be lodged by posting, delivery or facsimile to the address below:

Alara Uranium Limited
Level 14, The Forrest Centre
221 St Georges Terrace
Perth Western Australia 6000

By Facsimile: (08) 9322 1515