



Unit B3, 431 Roberts Road
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LIBERTY RESOURCES

20 February 2014

Response to Latest Letter from Auto

The Liberty Board of Directors refers to the latest document released by Auto Investment International Limited ("Auto") dated 10 February 2014, which was not provided to the Company but sent directly to shareholders.

The Company's Directors are concerned that Auto has presented information in a manner designed to mislead shareholders.

The Board would like to remind shareholders that both Auto and Orient signed Agreements valuing your Company at USD\$60m, or over 20c per share.

The Liberty Directors maintain their opposition to the attempt by an unknown Chinese minority shareholder to gain management control of your Company, without due consideration to all Liberty shareholders.

Your Board is firmly committed to Liberty's growth strategy and its progress is being delayed by the continuing action and allegations of one minority shareholder.

The Directors of Liberty believe that the points below should be borne in mind by shareholders. For those requiring more detailed information, a more comprehensive statement about the allegations put forward by Auto is contained on the Company's website, accessible by clicking this link, selecting NEWS & MEDIA and then selecting PRESS RELEASES: www.libertyresources.com.au

The Points to note in response to Auto's claims:

1. The Company has complied with all the requirements of the ASX and the Corporations Act in issuing notices and proxy forms to shareholders. Shareholders should note that both proxy forms are valid and there is no requirement for shareholders to send a copy of their proxy form to Auto;
2. The sale of shares by Mr Becke referred to by Auto was to fellow Director Mr Smith and was of shares he was issued in lieu of claiming directors' fees, as approved by shareholders at the 2013 AGM. Appropriate Appendix 3Ys were lodged with the ASX on 7 January 2014;
3. There was never an agreement between the Company and Crown Ascent;
4. Threats to Liberty staff members have been passed to the WA Police Organised Crime Department and the Commonwealth Director of Public Prosecutions has also been notified;
5. Your Board has seen no evidence that Auto's nominees have any ASX listed company board experience and have not been advised the names of the "listed foreign companies" in which the nominees have held director positions; and

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6. Substantial shareholders who decide to buy or sell down their stock may do so for any number of reasons (including portfolio fit, dividends, tax implications etc.) which the Company is not privy to.

If you would like further information or a more comprehensive explanation about any of the allegations put forward by Auto, shareholders are invited to contact a Liberty Board member directly.

Andrew Haythorpe (MD/Chairman) + 61 407737973 ahaythorpe@libertyresources.com.au
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Jim Becke (Director) + 61 438721279 jim@milkfactorygallery.com.au
Horst Hueniken (Director) +1 (416) 3656495 horst@goodmanandcompany.com

Alternatively call our office direct on (08) 92874488.

**SHAREHOLDERS ARE URGED TO VOTE AGAINST ALL RESOLUTIONS
TO PROTECT YOUR COMPANY
IF YOU HAVE ALREADY VOTED AND
WISH TO VOTE 'AGAINST' TO ALL RESOLUTIONS
YOU CAN SUBMIT A NEW PROXY**

- PLEASE CALL LIBERTY RESOURCES ON 08 9287 4488

This is an important vote as it concerns the future of your Company – your Board needs to get on with business and the future success of the Company and not be distracted by the time and expense of dealing with Auto and its claims.

On behalf of your Board of Directors & Management
20 February 2014

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