

2021 Notice of Annual General Meeting and Explanatory Memorandum

The Annual General Meeting of Aus Tin Mining Limited will be held at 11:00am on 28 January 2022 at Level 7 Waterfront Place, 1 Eagle Street, Brisbane, QLD, Australia.

Aus Tin Mining Limited ACN 122 957 322

Registered office:

Level 27, 111 Eagle Street
Brisbane
Queensland 4000

COVID-Related Disclosure

If Shareholders wish to attend the Meeting in person, they will need to email the incoming Company Secretary (jhaley@austinmining.com.au) in order for the Company to ensure it will be able to maintain compliance with COVID-related restrictions applicable at the time of the Meeting.

The Company advises that **only shareholders who have received two doses of a COVID vaccine will be able to enter the venue of the Meeting.**

Each Resolution to be put to the Meeting will be decided by poll vote, as a combination of proxy votes lodged, together with any votes cast in person at the Meeting. Accordingly, Shareholders are encouraged to lodge their votes online via the Company's Registry (www.linkmarketservices.com.au) or via the proxy form to be supplied.

Any questions that Shareholders would like put to the Meeting can also be emailed to the incoming Company Secretary (jhaley@austinmining.com.au) by 24 January 2022. Responses to any questions will be given verbally at the Meeting, with a summary of material issues addressed in a subsequent ASX release.

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Shareholders of **Aus Tin Mining Limited ACN 122 957 322 (the Company)** will be held at the offices of HopgoodGanim, Level 7, Waterfront Place, 1 Eagle Street, Brisbane, Qld, 4000, on 28 January 2022 at 11:00am (Brisbane time).

Terms used in this Notice of Meeting are defined in the “**Definitions**” section of the accompanying Explanatory Memorandum.

ASX takes no responsibility for the content of this Notice or of the Explanatory Memorandum.

AGENDA

ORDINARY BUSINESS

Annual Financial Report

To receive and consider the Company’s Annual Report comprising the Directors’ Report and Auditors’ Report, Directors’ Declaration, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to and forming part of the financial statements for the Company for the financial year ended 30 June 2021.

See Explanatory Statement below for further information.

Resolution 1. Remuneration Report

To consider and if thought fit, pass the following Advisory Resolution:

“That the Remuneration Report for the year ended 30 June 2021 (as set out in the Directors’ Report) is adopted.”

The vote on **Resolution 1** is advisory only and does not bind the Directors of the Company. The Company’s 2021 Annual Report, which contains the Remuneration Report, is available on the Company’s website <http://www.austinmining.com.au/>

See Explanatory Memorandum for further details.

VOTING RESTRICTION PURSUANT TO SECTION 250R(4) OF THE CORPORATIONS ACT

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

- a member of the Key Management Personnel (KMP) details of whose remuneration are included in the Remuneration Report; or
- a Closely Related Party of a KMP.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the chair to vote on this Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on this Resolution; and
 - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

*Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the Resolutions the subject of this Meeting including **Resolution 1**, other than Resolutions where the Chairman is a related party and the subject of the Resolution, or is an associate of a related party the subject of a Resolution, in which case the Chairman cannot cast undirected proxies in respect to that Resolution.*

Resolution 2. Election of Mr Brad Gordon as a Director

To consider and if thought fit, pass the following Resolution as an Ordinary Resolution of the Company:

“That in accordance with Rule 36.2 of the Company’s Constitution, Mr Brad Gordon, being eligible and offering himself for election, be elected as a Director of the Company.”

See Explanatory Memorandum for further information.

Resolution 3. Re-election of Mr Brian Moller as a Director

To consider and if thought fit, pass the following Resolution as an Ordinary Resolution of the Company:

“That in accordance with Rule 38.9 of the Company’s Constitution, Mr Brian Moller, who retires in accordance with Rule 38.1(c) of the Company’s Constitution, and being eligible and offering himself for re-election, be re-elected as a Director of the Company.”

See Explanatory Memorandum for further information.

Resolution 4. Approval of allotment and issue of Shares to Directors pursuant to the Directors’ Fee Plan

To consider and if thought fit, pass the following Resolution as an Ordinary Resolution of the Company:

“That subject to and conditional upon the passing of Resolution 2, for the purposes of Listing Rule 10.14 and all other purposes, the Company be authorised to issue fully paid ordinary Shares to all current Directors of the Company (or their respective nominees) pursuant to the Directors’ Fee Plan, the details of which are set out in the accompanying Explanatory Memorandum.”

See Explanatory Memorandum for further information.

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- a Director of the Company (except one who is ineligible to participate to receive securities issued pursuant to the Directors’ Fee Plan); and
- an associate of that person (or persons).

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the chair to vote on this Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
 - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

PROXY APPOINTMENT RESTRICTION

In accordance with section 250BD of the Corporations Act, the Company will disregard any votes cast on **Resolution 4** by a member of the KMP or their Closely Related Parties who has been appointed as a proxy unless:

- the appointed proxy votes for a person who is permitted to vote and in accordance with a direction on the proxy form (directed proxy); or
- the appointed proxy is the Chairman and the appointment of the Chairman as proxy:
 - does not specify the way the proxy is to vote on this Resolution; and
 - expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

See Explanatory Memorandum for further information.

Resolution 5. Approval for disposal of the Taronga Project

To consider and if thought fit, pass the following Resolution as an Ordinary Resolution of the Company:

"That, for the purposes of Listing Rule 11.4 and for all other purposes, approval is given for the disposal of the Company's interest in the Taronga Project, on the terms and conditions set out in the Explanatory Statement."

See Explanatory Memorandum for further details.

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- First Tin Limited (company number 07931518) and any other person who will obtain a material benefit as a result of the disposal of the Company's interest in the Taronga Project (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- any associate of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the chair to vote on this Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on this Resolution; and
 - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

See the accompanying Explanatory Memorandum for further information.

SPECIAL BUSINESS

Resolution 6. Approval to issue an additional 10% of the issued capital of the Company over a 12-month period pursuant to Listing Rule 7.1A

To consider and, if thought fit, pass the following Resolution as a Special Resolution of the Company:

"That pursuant to and in accordance with Listing Rule 7.1A, and for all other purposes, Shareholders approve the issue of equity securities of up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, over a 12 month period from the date of the Meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions described in the Explanatory Memorandum (Placement Securities)."

See Explanatory Memorandum for further details.

Notes

The proposed allottees of any Placement Securities are not as yet known or identified. In these circumstances (and in accordance with the note set out in Listing Rule 14.11.1 relating to Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of the Placement Securities), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- a person who may participate in the issue of the Placement Securities and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in their capacity as a holder of Shares if this Resolution is passed; and
- an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the chair to vote on this Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on this Resolution; andthe holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

GENERAL BUSINESS

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

By Order of the Board



Karl Schlobohm
Company Secretary
22 December 2021

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is provided to Shareholders of Aus Tin Mining Ltd ACN 122 957 322 (the **Company**) to explain the Resolutions to be put to Shareholders at the Annual General Meeting to be held at HopgoodGanim, Level 7, Waterfront Place, 1 Eagle Street on 28 January 2022 at 11.00am (Brisbane time).

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of Resolutions 1 to 6 contained in the Notice of Meeting. The Directors recommend that Shareholders read the accompanying Notice of Meeting (including this Explanatory Memorandum) in full before making any decision in relation to the Resolutions.

ORDINARY BUSINESS

Consider the Company's 2021 Annual Report

The Corporations Act requires the Company's Annual Report comprising the Directors' Report, the Auditor's Report, Directors' Declaration, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to and forming part of the financial statements to be laid before the Annual General Meeting. There is no requirement either in the Corporations Act or in the Constitution of the Company for Shareholders to approve the Company's Annual Report. The Company's 2021 Annual Report is placed before the Shareholders for discussion. No voting is required for this item.

Shareholders can obtain a copy of the Company's 2021 Annual Report by sending a request to info@austinmining.com.au or by downloading a copy from the Company's website: www.austinmining.com.au

Resolution 1. Remuneration Report

In accordance with section 250R of the Corporations Act, the Board has submitted its Remuneration Report (included in the 2021 Annual Report) to Shareholders for consideration and adoption by way of a non-binding Advisory Resolution.

The Remuneration Report is set out in the Directors' Report section of the 2021 Annual Report. The Report, amongst other things:

- explains the Board's policy for determining the nature and amount of remuneration of Key Management Personnel of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- sets out remuneration details for each Director and the most highly remunerated senior executives of the Company; and
- details and explains any performance conditions applicable to the remuneration of Key Management Personnel 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.

A Voting Exclusion Statement is set out in the Notice of Meeting for this Resolution. Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the Resolutions the subject of this Meeting, including this **Resolution 1**, subject to compliance with the Corporations Act.

Resolution 2. Election of Mr Brad Gordon as a Director

Mr Brad Gordon was appointed to the Board on 17 May 2021.

Mr Gordon is a seasoned mining executive with over 30 years of experience in the gold mining industry, during which time he has successfully led and grown the value of large mining operations around the world.

From 2013 until December 2017, Mr Gordon acted as the CEO of Acacia Mining plc, a London Stock Exchange listed gold mining company with mines and exploration projects across Africa. He led an impressive turnaround of that company through rejuvenation and re-engineering of its assets, corporate structures and culture, and oversaw an increase in the market capitalisation of Acacia from £450 million to £2.5 billion.

Mr Gordon was previously also the CEO of Intrepid Mines from 2008 to 2013, a TSX and ASX listed precious metals exploration and development company with its primary operations in Indonesia. During his time as CEO of Intrepid the market capitalisation grew from A\$120 million to a peak of A\$1.4 billion.

Prior to his time at intrepid Mr Gordon was the CEO of Emperor Mines, with gold mines in Fiji and Papua New Guinea, and at the time was the third largest gold producer listed on the ASX. Before that, he had a series of progressively senior positions with Placer Dome including as Managing Director of their Papua New Guinea operations with responsibility for the Porgera and Misima gold mines.

The Directors (with Brad Gordon abstaining) recommend that you vote in favour of this Resolution.

Resolution 3. Re-election of Mr Brian Moller as a Director

Mr Brian Moller retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election as a Non-Executive Director. Mr Moller has served on the Aus Tin Mining board since 1 December 2006.

Mr Moller is a corporate partner in the Brisbane-based law firm HopgoodGanim where he has been a partner since 1983. He practices almost exclusively in the corporate area with an emphasis on capital raising, mergers and acquisitions. Mr Moller acts for many public listed resource and industrial companies and brings a wealth of experience and expertise to the Board particularly in the corporate regulatory and governance areas.

He holds an LLB(Hons) from the University of Queensland and is a member of the Australian Mining and Petroleum Law Association.

Mr Moller is currently also a non-executive director of NewPeak Metals Ltd (ASX: NPM), and DGR Global Limited Ltd (ASX:DGR) and Chairman of Tempest Minerals Ltd (ASX: TEM) and Platina Resources Ltd (ASX: PGM).

There is no voting exclusion statement for this Resolution.

The Directors (with Mr Moller abstaining) recommend that you vote in favour of this Ordinary Resolution.

Resolution 4. Approval for the issue of securities pursuant to the Directors' Fee Plan

1. Background

A Directors' Fee Plan (the **Prior Plan**) was presented and approved at the 2020 Annual General Meeting to enable all of the Directors of the Company (at that time being Messrs Mather, Moller and Wilson), to receive Shares *in lieu* of cash remuneration for a period of up to three (3) years after the date of that approval. The Prior Plan is currently in force, and is an "employee incentive scheme" for the purposes of the Listing Rules.

Pursuant to the terms of the Prior Plan a Director may elect to salary sacrifice all or a percentage of the remuneration to which that Director may be otherwise entitled (the **Director Fees**), in exchange for the issue of Shares of an equal value (as determined by reference to the relevant issue price) (the **Plan Shares**). The Prior Plan assists the Company to preserve its cash, offers greater flexibility to the Company's remuneration framework, ensures that the Company can continue to attract, retain and reward Directors, and ensures that the interests of the Directors and Shareholders are aligned.

Since the Prior Plan's approval, Mr Brad Gordon has been appointed as a Director of the Company to fill a casual vacancy, and as such is now standing for election at the Meeting in accordance with Rule 36.2 of the Company's Constitution (see **Resolution 2**).

Mr Gordon wishes to participate in a Directors' Fee Plan, so as to assist the Company in preserving its cash, and to better align his interests with those of the Company. Accordingly the Company is again seeking Shareholder approval for a new Director's fee plan (the **Plan**) in which all of the Directors including Mr Gordon, would take part. This **Resolution 4** is conditional upon **Resolution 2** being passed. If **Resolution 2** is not passed, then this **Resolution 4** will be withdrawn. In those circumstances, or where **Resolution 2** is passed but not this **Resolution 4**, then the Prior Plan will remain in force, and Mr Gordon will not take part in it.

If both **Resolution 2** and this **Resolution 4** are passed by Shareholders, the rules for this Plan set out in **Schedule 1** will govern the operation and administration of the Plan. The Plan differs from the Prior Plan approved by Shareholders at the Company's 2020 Annual General Meeting in that:

- Mr Gordon will be a Participating Director; and
- the Maximum Shares has been adjusted accordingly.

2. Corporations Act Requirements – Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of that company without shareholder approval, unless the benefit falls within one of various exceptions to the general prohibition (see section 208 of the Corporations Act).

A “related party” is defined widely for the purposes of the Corporations Act and includes: a director of that company; any spouse, parent or children of that director; and any company or other entity controlled by that director.

A “financial benefit” for the purposes of the Corporations Act also has a very wide meaning. It includes the public company paying money or issuing securities to the related party. Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate. The issue of the Plan Shares and the right of the Directors to salary sacrifice in order to pay for the Plan Shares, are “financial benefits” for the purposes of Chapter 2E of the Corporations Act.

Two (2) of the exceptions to the prohibition on the giving of such a financial benefit without shareholder approval, are where the financial benefit:

- 1) is reasonable remuneration for performance as an officer or employee of the company, and it is reasonable to give that remuneration given the circumstances of the company and the related party’s circumstances (see section 211(1) of the Corporations Act); and
- 2) is on terms that (see section 210 of the Corporations Act):
 - a. would be reasonable in the circumstances if the company and the related party were dealing at arm’s length; or
 - b. are less favourable to the related party than would be reasonable in the circumstances if the company and the related party were dealing at arm’s length.

As the Directors may elect to forego a percentage of the Director Fees in exchange for the issue of the Plan Shares, and the Director Fees are within the aggregate pool of Directors Fees approved by Shareholders, it has been determined that the financial benefit given by offering Directors the opportunity to salary sacrifice to acquire Plan Shares under the Plan, at no greater cost of the Company, constitutes reasonable remuneration to the Directors given:

- 1) the circumstances of the Company; and
- 2) the Directors’ roles and responsibilities within the Company.

Given the above, the Company will rely on the exception contained in section 211(1) of the Corporations Act, and is not seeking Shareholder approval pursuant to section 208 of the Corporations Act in addition to the approval being sought under the Listing Rules.

Furthermore, the Company also relies on the exception contained in section 210 of the Corporations Act as it has been determined that the financial benefit given by offering the Directors the opportunity to salary sacrifice to acquire the Plan Shares, at no greater cost of the Company, is on terms that would be reasonable in the circumstances if the Company and each Director were dealing at arm’s length.

3. Listing Rule 10.14

Listing Rule 10.14 prohibits a listed company from issuing or agreeing to issue equity securities (including shares or options) to a director or associate of the company under an employee incentive scheme (such as the Plan) without Shareholder Approval. Because each of the Directors is a related party of the Company for the purposes of Listing Rule 10.11, the proposed issue of Plan Shares to Directors under the Plan must be approved under the Listing Rule 10.14.

4. Listing Rule 10.15

Listing Rule 10.15 sets out the requirements for any notice of meeting to approve the issue of securities under Listing Rule 10.14. In accordance with Listing Rule 10.15 the Company advises as follows:

- 1) The proposed recipients of the Plan Shares are the current Directors being Mr Nicholas Mather, Mr Brian Moller, Mr Richard Willson and Brad Gordon (the **Participating Directors**). Directors who may be appointed or elected after **Resolution 4** is passed, will be entitled to elect to participate in the Plan but will not be permitted to do so until after any Shareholder approval required under Listing Rule 10.14 (or otherwise under Chapter 10 of the Listing Rules) is obtained, or ASX grants a waiver from this requirement. There is no guarantee that a waiver will be applied for, or if applied for, granted.

- 2) The Participating Directors are "directors" of the Company for the purpose of Listing Rule 10.14.1. Any company or other entity which they nominate to receive the Plan Shares (and which they must control), will be their respective "associates" for the purpose of Listing Rule 10.14.2.
- 3) The maximum number of securities which may be issued under this Resolution is 345,000,000 Plan Shares over the three years immediately following the date of this Meeting (assuming that this Resolution is passed), with a maximum of 115,000,000 Plan Shares (**Maximum Shares**) per year. If the Maximum Shares were issued today, they would represent approximately 3% of the issued Share capital of the Company, assuming that no other Shares were issued. The number of Maximum Shares has been determined by dividing \$115,000 (being 50% of an estimated Director Fee pool of \$230,000) by the lowest possible issue price of approximately \$0.001 per Director Share.

Directors' Interests and Other Remuneration

- 4) Details of the remuneration of each of the Participating Directors (inclusive of superannuation) for the last two financial years (total cost to the Company) is set out in Table 1 below:

Table 1 – Director Remuneration

Director	Remuneration 30 June 2021	Remuneration 30 June 2020
Nicholas Mather	\$85,417	\$91,667
Brian Moller	\$42,708	\$45,833
Richard Willson	\$33,910	\$36,667
Brad Gordon	\$3,692	-

At the time of writing this Notice, there are nil unpaid fees owing to the Directors. If each of the Directors participated in the Director Fee Plan through the issue to them each of Plan Shares *in lieu* of 50% of their respective Director Fees payable for a 12-month period, then the following will be the effect on the holding of each of the Directors in the Company:

Table 2 – Director Holdings (Current and Potential)

Director	Current Share Holding ¹	% of Total Share Capital ²	Director Shares Issued ³	Share Holding Upon Issue of Maximum Shares ³	% of Total Share Capital
Nicholas Mather	212,178,914	1.67%	50,000,000	262,178,914	2.04%
Brian Moller	104,450,474	0.82%	25,000,000	129,450,474	1.01%
Richard Willson	53,688,340	0.42%	20,000,000	73,688,340	0.57%
Brad Gordon	-	-	20,000,000	20,000,000	0.16%

Assumptions and Explanations

1. This assumes that none of the current Options on issue in the Company are exercised and no further securities are issued.
 2. This assumes that there are currently 12,716,786,867 Shares on issue.
 3. This assumes the Shares will be issued at a price of \$0.001 per Share, based on the closing market price of the Shares on 15 December 2021.
- 5) No issues of Plan Shares have taken place since the Director Fee Plan was last approved at the 2020 AGM.
 - 6) The Plan Shares will not be subject to escrow restrictions, and will be issued on the same terms as and rank *pari passu* with the Shares that are already on issue. The rights and liabilities of Shareholders are set out in the Constitution of the Company. The Constitution can be obtained from the Company's website at the following link: <https://www.austinmining.com.au/s/Constitution.pdf>
 - 7) The Plan Shares are intended to be issued as and when elections are made by Participating Directors under the Plan, and in any event no later than three years after the date of the Meeting. It is the current intention of the Company and Directors that the Plan Shares would be issued to the Participating Directors in a maximum of 4 tranches in each 12-month period following the date of the Meeting.

- 8) The issue price of each Plan Share shall be as follows:
 - a) subject to paragraph b) immediately below, the closing market price on the trading day immediately prior to an Election Notice being given by the relevant Participating Director in accordance with the Directors Fee Plan (and any fractional entitlement to Plan Shares shall be rounded up to the nearest whole number); and
 - b) where the Plan Shares are being issued at the same time as or as part of a capital raising involving other existing Shareholders or third parties, the Plan Shares shall be issued at the same price as the Shares issued to those other Shareholders or third parties.
- 9) No loans are being given in respect of the issue of any Plan Shares.
- 10) The terms of the Plan under which Directors may be issued Directors' Shares *in lieu* of fees are set out in **Schedule 1**.
- 11) Details of any Plan Shares issued under the Directors Fee Plan will be published in the Annual Report in respect of the year during which the Plan Shares are issued, along with a statement noting that approval for the issue was obtained under Listing Rule 10.14.

Save as set out in this Explanatory Memorandum, the Directors are not aware of any other information that will be reasonably required by Shareholders to make a decision in relation to benefits contemplated by this Resolution.

No cash will be raised from the issue of the Directors Shares, as they are issued *in lieu* of remuneration otherwise owing to Directors. However, if Shareholders do not approve this Plan then the remuneration that a Director would otherwise be entitled to, must be paid in cash as opposed to being satisfied for the issue of Plan Shares, and will therefore deplete the cash reserves of the Company.

5. Directors' Recommendation

Messrs Nicholas Mather, Brian Moller, and Richard Willson each have a material personal interest in the Resolution and therefore do not make any recommendation.

A Voting Exclusion Statement in relation to this Resolution is set out in the Notice of Meeting.

Resolution 5. Approval for disposal of the Taronga Project

1. Background to the disposal of the Taronga Project

Prior to its acquisition of Taronga in December 2012, the main focus of the Company had been the Queensland Projects. The Company has remained committed to the development of the Queensland Projects.

In 2015 the Company acquired the Granville Tin Mine in Tasmania. In the course of 2020 and 2021 the Company has acquired the Coal Projects. Now the Company has a relatively large and diverse portfolio of projects.

However, a result of the economic challenges presented by the COVID-19 pandemic (including there being less available risk capital for junior explorers than at other times), the Company has been unable to allocate sufficient management time and resources to ensure that all of its projects have received the attention that they deserve. Accordingly, the Company has been actively seeking alternative ways to unlock shareholder value across its broad suite of assets, other than their development through organic means.

On or about 7 November 2021, the Company entered into:

- 1) An agreement (the **First Tin Agreement**) to sell 100% of the issued share capital of Taronga (the **Sale Shares**) to First Tin for a mixture of cash and shares (the **Disposal of Taronga**). The proposed Disposal of Taronga represents an ideal opportunity for the Company to derive shareholder value from the Taronga Project by retaining a significant exposure to the potential upside (through an issue of shares in the buyer – First Tin), while divesting the direct funding and commercial downside risk to First Tin. Further, the Company will have monetised some of that upside through the payment by First Tin of initial cash consideration of \$1,350,000 (before costs, GST and Duty).
- 2) An agreement (the **First Tin Loan Agreement**) pursuant to which First Tin will lend to Taronga the amount of the First Tin Loan, enabling the Company to cause Taronga to enhance the value of the Taronga Project by purchasing the Freehold Land, before Completing the sale of Taronga to First Tin (as agreed by First Tin).

Listing Rule 11.4.1(b) (discussed in further detail below) provides that where a listed company proposes to dispose of a major asset to a person who intends to offer or issue securities with the view of becoming listed, it must obtain the prior approval of its shareholders.

2. Material Terms and Conditions of the First Tin Agreement

In summary the terms of the First Tin Agreement are:

1) Consideration

First Tin shall:

- a. within 2 Business Days after the execution of the First Tin Agreement pay \$1,350,000 (the **Cash Consideration**) to the Company, which the Company acknowledges that it has received as at the date of this Notice of Meeting. In the event that the Key Shareholders do not vote in favour of **Resolution 5 (Key Shareholder Support)**, then the Cash Consideration must be repaid by the Company to First Tin within 7 days after a written demand from First Tin to do so; and
- b. on completion of the purchase of the Sale Shares (the **Completion**), the issue by First Tin to the Company of (the **Consideration Shares**):
 - i. 60,000,000 ordinary fully paid shares in the capital of First Tin (**FT Shares**) at an issue price of 30 pence; or
 - ii. in the event that the issue price is less than 30 pence, such number of fully paid FT Shares in First Tin as would result in the Company holding not less than 22.6% of First Tin's issued share capital in the event of a Capital Raising of £20 million.

2) Conditions precedent

Completion is subject to satisfaction of the following conditions by 30 June 2022:

- a. The Company obtaining shareholder approval pursuant to the Listing Rules.
- b. First Tin obtaining admission of its entire issued capital to trading on the LSE (**Listing**).
- c. First Tin raising (**First Tin Capital Raising**) such an amount pursuant to an initial public offering (**IPO**) that it:
 - i. satisfies the eligibility requirements for listing First Tin on the (the **LSE**);
 - ii. covers the costs and expenses of the acquisition of Taronga;
 - iii. provides for not less than 2 years' expenditure for management and general administration of Taronga;
 - iv. provides for the anticipated costs of undertaking and completing a feasibility study on the Tenements and First Tin's Tellehauser project in Germany; and
 - v. covers the costs of exploration of all other projects owned by First Tin.
- d. First Tin obtaining FIRB Approval for the acquisition of the Sale Shares if required.
- e. Obtaining all relevant authorisations, shareholder and third-party approvals and consents required by each party in accordance with all applicable regulatory requirements, including the requirements of the Mining Act and the LSE.
- f. Execution of an agreement between Taronga and Robert Kidd pursuant to which Robert Kidd will act as manager of the Taronga Project, such agreement to be in a form commonly used for the provision of such services in New South Wales.

3) Transactions to occur before Completion

The following must occur before Completion can take place (the **Conditions Precedent**):

- a. the Company must forgive the Taronga Loan;
- b. Taronga and (the Company must cause and procure that Taronga) must satisfy all creditors, taxes and other liabilities (other than any liabilities relating to or arising from the Tenements) so that on

Completion, Taronga and its subsidiaries will have a balance sheet with no liabilities, and First Tin will acquire Taronga on a “cash pre-debt free” basis;

- c. the security over the Sale Shares in favour of Lind (securing the repayment of the Lind Facility by the Company) must be released. The Company acknowledges that this has occurred as at the date of this Notice of Meeting;
- d. First Tin will lend to Taronga the amount of the Freehold Land Purchase Price (**First Tin Loan**) on the terms set out First Tin Loan Agreement (summarised below);
- e. the Company will transfer the Additional Freehold Land to Taronga free of all Encumbrances (as defined in the First Tin Agreement); and
- f. Taronga will transfer 100% of the issued share capital of each of Ten Star Mining Pty Ltd and New England Tin Pty Ltd to the Company.

4) *The Company's representation on the board of directors of First Tin*

For as long as the Company (directly or through a related body corporate) holds at least 10% of the issued share capital of First Tin, it shall be entitled to nominate one person to be appointed as a director of First Tin.

5) *Escrow of Consideration Shares*

For a period of 12 months from the date of Completion until the date that is 12 months after the date of Listing (the **Lock-In Period**), the Company will not dispose of the Consideration Shares without the consent of First Tin except where:

- a. the Buyer is subject to a ‘change of control’ (as defined in the First Tin Agreement);
- b. in respect of 12,000,000 of the Consideration Shares, during the Lock-In Period the 10-day VWAP for FT Shares is not less than:
 - i. 45 pence;
 - ii. 60 pence;
 - iii. 75 pence; or
 - iv. 90 pence; or
- c. during the Lock-In Period the Buyer is either:
 - i. suspended from trading on LSE for not less than 10 consecutive days; or
 - ii. delisted from LSE.

6) *First right of refusal.*

Where at any time the Company Intends to dispose of any of the FT Shares, it shall notify First Tin of its intention to do so (setting out the number of FT Shares that it intends to dispose of, and the price at which it intends to dispose of them) (**Sale Notice**), and First Tin will have 5 business days to use all reasonable efforts to find a willing buyer at the price set out in the Sale Notice, failing which the Company will be entitled to dispose of the FT Shares in accordance with orderly market principles through the Company's retained broker or if that is not possible, to a third party broker or off-market.

3. **Material Terms and Conditions of the First Tin Loan Agreement**

In summary the terms of the First Tin Agreement are:

- 1) First Tin will lend to Taronga the amount of the First Tin Loan on unsecured basis, to be used solely by Taronga to acquire the Freehold Land for not more than the Freehold Land Purchase Price.
- 2) The amount of the First Tin Loan includes \$135,000 by way of GST that may be payable on the acquisition of the Freehold Land. If it is not it will be refunded by the ATO to Taronga (**GST Refund**), and will be retained by Taronga. Taronga may request First Tin to advance the GST Refund (or any other amount) to Taronga to be used for operational or other expenses as approved by First Tin.
- 3) The First Tin Loan will be advanced upon a written request given by Taronga to First Tin within 5 business days prior to the date of settlement of the acquisition of the Freehold Land.

- 4) The First Tin Loan will incur no interest provided that it is paid on the Repayment Date, failing which interest will accrue on the First Tin loan the rate of 8% per annum.
- 5) The Repayment Date shall be the earlier of:
 - a. 30 June 2022; and
 - b. In the event that the First Tin Agreement is terminated before Completion, then within 5 business days of termination (**Repayment without Completion**).
- 6) Where the Loan becomes subject to Repayment without Completion, Taronga shall be entitled to satisfy this obligation through either the repayment of the outstanding amount of the Loan in cash, or the transfer of the Freehold Land free of all Encumbrances (as defined in the First Tin Loan Agreement), subject to First Tin receiving any consent, approval, exemption etc that might be required for the transfer to take place.

4. Listing Rule 11.4

Under Listing Rule 11.4 (a) a listed company must not dispose of a major asset, if at the time of the disposal, it is aware that the person acquiring the asset intends to offer or issue securities with a view to becoming listed.

However Listing Rule 11.4 does not apply if a listed company obtains the approval of its shareholders to a transaction which involves the disposal of a major asset.

The Company (on a consolidated group basis) has expended approximately \$6 million in relation to exploration and evaluation work at the Taronga Project and whilst the Company does not consider that the Taronga Project is the Company's main undertaking, it is considered to be a major asset, and therefore arguably the Disposal of Taronga is a disposal of the Company's main undertaking for these purposes.

Accordingly, pursuant to **Resolution 5** the Company seeks Shareholder approval for the Disposal of Taronga under and for the purposes of Listing Rule 11.4(b). Even if Shareholder approval is obtained, there is no certainty that the Taronga Project will be disposed of, as the First Tin Agreement is subject to other Conditions Precedent.

If **Resolution 5** is passed, the Company will be able to (subject to satisfaction or waiver of the remaining Conditions Precedent) proceed with the Disposal of Taronga, receive the Share Consideration contemplated in the First Tin Agreement, and continue to review project opportunities with a view to maximise Shareholder value.

If **Resolution 5** is not passed, the Company will not be able to proceed with the Disposal of Taronga, and will not receive the Share Consideration in accordance with the First Tin Agreement. However, the Cash Consideration must be repaid only if **Resolution 5** does not receive Key Shareholder Support; the Company has received assurances from each Key Shareholder that it will vote in favour of **Resolution 5**.

5. Effect of the Disposal of Taronga

The pro-forma statement of the financial position of the Company showing the financial effect of the Disposal of the Taronga Project on the Company is annexed as **Schedule 2** as at 30 November 2021.

The Disposal of the Taronga will:

- 1) not impact the capital structure of the Company;
- 2) not have a dilutionary effect on the Shareholders;
- 3) not result in any changes to the Board or Company name;
- 4) result in a temporary increase in the cash balance of the Company of approximately \$1,350,000 (before costs, GST and Duty), and then a reduction in the liabilities of the Company by an amount equal to the outstanding balance of the Lind Facility (\$1,550,000);
- 5) lose its complete control of the Taronga Project;
- 6) allow the Company to retain an interest in any up-side risk to the Taronga Project, while shifting direct funding and commercial risk of the Taronga Project to First Tin; and
- 7) allow the Company to focus on its other exploration and mining projects, and particularly the Queensland Projects and the Coal Projects.

6. Reasons for the Disposal of Taronga

The Company has not been able to raise sufficient equity capital for to undertake all of its many projects at the same time. With the Company's renewed interest in its Queensland Projects and the Coal Projects and therefore the likelihood that the Company will continue to have insufficient funds to support all of its projects to the fullest extent, the Board is of the view that the Disposal of Taronga to First Tin represents the best opportunity for the Company to realise value from the Taronga Project.

7. Use of proceeds and intentions following Disposal of Taronga

As noted above, the Company has used the Cash Consideration to pay-out the Lind Facility. Even if Shareholders do not pass **Resolution 5**, the Company will not need to repay that Cash Consideration to First Tin provided that **Resolution 5** receives Key Shareholder Support (and each Key Shareholder has indicated to the Company that they will vote in favour of Resolution 5).

If the Disposal of Taronga Completes, the Company intends to continue development of the Queensland Projects and the Coal Projects in particular, while generally reviewing all of its portfolio with a view to maximising Shareholder value including by inorganic means if appropriate.

8. Advantages of the Disposal of Taronga

The Directors believe that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on **Resolution 5**. The Disposal of Taronga will allow (or has allowed) the Company to:

- 1) de-risk its investment in Taronga (in particular by shifting the liability and commitments for Taronga to First Tin), while still retaining a significant potential upside through its shareholding in First Tin, which will have more resources and an appropriate focus to better develop the Taronga Project than if the Company retains all of the risk of the Taronga Project;
- 2) significantly decrease its liabilities via the utilisation of the \$1,350,000 cash consideration in reduction of the \$1,550,000 amount outstanding under the Lind Facility; and
- 3) focus its efforts on its remaining existing portfolio of assets in Australia, and in particular its Coal Projects, which it is currently not possible for the Company to do, due to funding constraints and COVID restrictions.

9. Disadvantages of the Disposal of Taronga

The Directors believe that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on **Resolution 5**:

- 1) the Company will not be able to participate in or derive any future potential benefit from the development of the Taronga Project, other than through its shareholding in First Tin; and
- 2) the disposal involves the Company selling a major asset, which may not be consistent with the investment objectives of all Shareholders.

10. Implications if the Disposal of the Taronga Projects does not proceed

In the event that **Resolution 5** is not passed or for any other reason the Company does not complete the Disposal of Taronga it will, amongst other things:

- 1) continue to maintain its interest in the Taronga Project and continue to investigate opportunities to obtain value from these assets either by developing and exploring the Taronga Projects, disposing of all or part of the Taronga Project or entering into joint ventures with third parties in respect of the development of the Taronga Project;
- 2) continue to maintain the Taronga Project and ensure compliance with all licence and regulatory requirements, whilst undertaking appropriate development activities on the Taronga Projects and simultaneously managing expenditure;
- 3) explore opportunities to raise equity capital to enable the Company to fund ongoing Taronga Project activities and activities in respect of the Company's other assets; and

- 4) it will not be required to repay the Cash Consideration, and as a result the Company's liabilities will have been reduced by the amount outstanding under the Lind Facility, and its assets will have been released from all and any encumbrances or security interests in favour of Lind.

11. Other Material Information

Completion of the Sale Agreement will result in an estimated accounting loss/gain to the Company of approximately \$30 million.

First Tin is aiming to complete the transaction and achieve its listing on the London Stock Exchange within the first quarter of 2022. The Company's holding of shares in First Tin will be subject to various conditions of escrow, as outlined on page 12 above.

12. Board and Senior Management Changes

There will be no changes to the Company's Board as a result of or in connection with completion of the Disposal of the Taronga. Mr Rob Kidd is currently the 'acting' CEO of the Company, and will become the manager of the Taronga Project.

13. Independent Assessment of the Disposal of Taronga

First Tin is not a related party of the Company, and the proposed Disposal of Taronga does not require independent Assessment (or the provision of an independent report) for the purposes of either the ASX Listing Rules or the Corporations Act. The Directors are satisfied that the First Tin Agreement and the First Tin Loan Agreement present the Company with the best opportunity in the circumstances. The negotiations for the Disposal of Taronga and the First Tin Loan, were conducted with First Tin on an arm's length basis, were robust and vigorous, and carried on by the Company with the intention of extracting the best possible consideration price and other terms for the Company's benefit.

While the Directors did consider whether or not to appoint an independent expert to assess the transaction to assist Shareholders in their decision-making, ultimately the Directors concluded that the expense and time for such an exercise were not warranted and not in the best interests of Shareholders.

14. Material Disclosure

Comprehensive disclosure regarding the Disposal of the Taronga is set out above, including the following:

- 1) the parties and material terms of the First Tin Agreement are set out above under '**2. Material Terms and Conditions of the First Tin Agreement**';
- 2) the material terms of the First Tin Loan Agreement are set out above under '**3. Material Terms and Conditions of the First Tin Loan Agreement**';
- 3) the financial effect of the Disposal of Taronga on the Company and on the interests of security holders in the Company is set out above under '**5. Effect of the Disposal of Taronga**';
- 4) the changes that the Company will be making to its business model in light of the Disposal of Taronga are set out under '**7. Use of Proceeds and Intentions following Disposal of Taronga**';
- 5) the changes to the Board and senior management of the Company will occur as a result of or following the Disposal of Taronga are set out under '**13. Board and Senior Management Changes**'; and
- 6) a voting exclusion statement is included in this Notice.

15. Forward-Looking Statements

The forward-looking statements in this Explanatory Statement are based on the Company's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward-looking statements in this Explanatory Statement. Forward looking statements include those containing words such as 'anticipate', 'estimates', 'should', 'will', 'expects', 'plans' or similar expressions.

16. Directors' Recommendation

The Directors do not have any material interest in the outcome of **Resolution 5**.

Based on the information available, all of the Directors consider that the proposed Disposal of Taronga, under the First Tin Agreement, is in the best interests of the Company and recommend that the Shareholders vote in favour of **Resolution 5**.

SPECIAL BUSINESS

Resolution 6. Approval to issue an additional 10% of the issued capital of the Company over a 12-month period pursuant to Listing Rule 7.1A

1. Introduction

Pursuant to **Resolution 6**, the Company is seeking Shareholder approval to issue an additional 10% of its issued capital over a 12-month period pursuant to Listing Rule 7.1A. If passed, this Resolution will allow the Company to allot and issue up to the number of new equity securities calculated in accordance with Listing Rule 7.1A.2 (the **Placement Securities**) each at an issue price of at least 75% of the VWAP for the Company's equity securities in that class (calculated over the last 15 days on which trades in the equity securities in that class are recorded, immediately before the date on which the price at which the Placement Securities are to be issued is agreed, or if the Placement Securities are not issued within five trading days of that date, the date on which the Placement Securities are issued) (the **Issue Price**).

Pursuant to Listing Rule 7.1A, small and mid-cap listed entities that meet the eligibility threshold and have obtained the approval of their ordinary shareholders by Special Resolution at their annual general meeting, are permitted to issue an additional 10% of issued capital over a 12-month period from the date of the annual general meeting (the **Additional 10% Placement**).

The Additional 10% Placement under Listing Rule 7.1A is in addition to the ability of the Company to issue 15% of its issued capital without shareholder approval over a 12-month period pursuant to Listing Rule 7.1. The Company may issue the Placement Securities to raise funds for the Company (further details of which are set out below).

Funds raised from the issue of the Placement Securities, if undertaken, would be applied towards the acquisition of new assets or investments (including expenses associated with such acquisitions), continued exploration and feasibility study expenditure on the Company's current assets and general working capital.

The Directors unanimously recommend that Shareholders vote in favour of this Special Resolution.

2. Listing Rule 7.1A

Eligibility

An entity is eligible to undertake an Additional 10% Placement if at the time of its annual general meeting it has a market capitalisation of \$300 million or less and it is not included in the S&P/ASX300 Index (**Eligible Entity**).

For illustrative purposes only, on 13 December 2021, the Company's market capitalisation was approximately \$12.7 million based on the closing market price on that date. The calculation of market capitalisation will be based on the closing market price of the Shares, on the last trading day on which trades in the Shares were recorded before the date of the Annual General Meeting, multiplied by the number of Shares on issue (excluding restricted securities and securities quoted on a deferred settlement basis).

The Company is also not included in the S&P/ASX300 Index as at the time of this Annual General Meeting. However, it should be noted that the S&P/ASX300 Index is rebalanced twice a year (in March and September). The Company is therefore an Eligible Entity and able to undertake an Additional 10% Placement under Listing Rule 7.1A. In the event that the Company for any reason ceases to be an Eligible Entity after the Company has already obtained Shareholder approval pursuant to this Resolution, the approval obtained will not lapse and the Company will still be entitled to issue the Placement Securities during the 12-month period following this Annual General Meeting.

Special Resolution

Listing Rule 7.1A requires this Resolution to be passed as a Special Resolution, which means that it must be passed by at least 75% of the votes cast by members entitled to vote on the Resolution. Pursuant to Listing Rule 7.1A, no Placement Securities will be issued until and unless this Special Resolution is passed at the Meeting.

Shareholder Approval

The ability to issue the Placement Securities is conditional upon the Company obtaining Shareholder approval by way of a Special Resolution at the Meeting.

Listing Rules 7.1 and 7.1A

At the date of this Notice of Meeting, the Company has on issue 12,716,786,867 Shares. If this Resolution is passed the Company will have the capacity to issue the following equity securities immediately following the Meeting:

- (1) 1,907,518,030 Equity Securities under Listing Rule 7.1; and
- (2) subject to Shareholder approval being obtained under this Resolution, a further 1,271,678,687 Placement Securities under Listing Rule 7.1A.

The actual number of Placement Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Placement Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as described following).

3. Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that Eligible Entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of equity securities calculated in accordance with the following formula:

(A x D) – E

- A** is the number of shares on issue 12 months before the date of issue or agreement:
- plus** the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - plus** the number of partly paid shares that became fully paid in the 12 months;
 - plus** the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
 - less** the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

- D** is 10%
- E** is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

4. Specific Information Required by Listing Rule 7.3A

Listing Rule 7.3A sets out the requirements for notices of meeting at which shareholder approval is sought for the additional capacity to issue equity securities under Listing Rule 7.1 A. For the purposes of Listing Rule 7.1 A the Company advises as follows:

1. Final Date for Issue - Listing Rule 7.3A.1

As required by Listing Rule 7.3A.1, the Company will only issue and allot the Placement Securities during the 12 months after the date of this Meeting which the Company anticipates will end on 28 January 2023. The approval under this Resolution for the issue of the Placement Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company) before the anniversary of the Annual General Meeting.

2. Minimum price of securities issued under Listing Rule 7.1A - Listing Rule 7.3A.2

Pursuant to and in accordance with Listing Rule 7.1A.3, the Placement Securities issued pursuant to approval under Listing Rule 7.1A must have an Issue Price of not less than 75% of the VWAP for the equity securities over the 15 trading days immediately before:

- (1) the date on which the price at which the Placement Securities are to be issued is agreed; or
- (2) if the Placement Securities are not issued within ten trading days of the date in paragraph (1) above, the date on which the Placement Securities are issued.

The Company will disclose to the ASX the Issue Price on the date of issue of the Placement Securities.

3. Purpose - Listing Rule 7.3A.3

As noted above, the purpose for which the Placement Securities may be issued include to raise funds for the Company (further details of which are set out below). Funds raised from the issue of the Placement Securities, if undertaken, would be applied towards the acquisition of new assets or investments (including expenses associated with such acquisitions), continued exploration and feasibility study expenditure and development of the Company's current assets and general working capital.

4. Risk of economic and voting dilution - Listing Rule 7.3A.4

As provided by Listing Rule 7.3A.4, if this Resolution is passed and the Company issues the Placement Securities, there is a risk of economic and voting dilution to the existing Shareholders. The Company currently has on issue 12,716,786,867 Shares. The Company could issue 3,179,196,717 securities immediately following the Meeting (being 1,907,518,030 equity securities pursuant to Listing Rule 7.1 and 1,271,678,687 Placement Securities pursuant to Listing Rule 7.1A). However, it is important to note that the exact number of securities which may be issued will be calculated in accordance with the formula contained in Listing Rule 7.1A.2, details of which are set out above. Any issue of Placement Securities will have a dilutive effect on existing Shareholders.

There is a specific risk that:

- (1) the closing market price for the Company's equity securities may be significantly lower on the date of the issue of any Placement Securities than it is on the date of the meeting; and
- (2) the Placement Securities may be issued at a price that is at a discount to the closing market price for the Company's equity securities on the issue date,

which may have an effect on the amount of funds raised by the issue or the value of the Placement Securities.

As required by Listing Rule 7.3A.4, Table 11 below shows the potential economic and voting dilution effect, in circumstances where the issued share capital has doubled and the closing market price of the shares has halved. Table 11 also shows the additional scenarios in which the issued share capital has increased (by both 50% and 100%) and the closing market price of the shares has:

- (1) decreased by 50%; and
- (2) increased by 100%.

Table 11 – economic and voting dilutionary effect

	<u>50% decrease in Closing Market Price</u>		<u>Current Closing Market Price</u>		<u>100% increase in Closing Market Price</u>	
	\$ 0.0005		\$ 0.001		\$ 0.002	
	<u>10% Voting Dilution</u>	<u>Capital Raised</u>	<u>10% Voting Dilution</u>	<u>Capital Raised</u>	<u>10% Voting Dilution</u>	<u>Capital Raised</u>
<u>Present Issued Share Capital</u> 12,716,786,867	1,271,678,687	\$ 635,839	1,271,678,687	\$ 1,271,679	1,271,678,687	\$ 2,543,357
<u>50% Increase in Share Capital</u> 19,075,180,301	1,907,518,030	\$ 953,759	1,907,518,030	\$ 1,907,518	1,907,518,030	\$ 3,815,036
<u>100% increase in Share Capital</u> 25,433,573,734	2,543,357,373	\$ 1,271,679	2,543,357,373	\$ 2,543,357	2,543,357,373	\$ 5,086,715

Assumptions and Explanations

1. \$0.001 was the closing market price of the Shares on ASX on 15 December 2021.
2. The above table only shows the dilutionary effect based on the issue of the Placement Securities (assuming only Shares are issued), and not any Shares issued under Listing Rule 7.1.
3. The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of the issue.
4. The Company issues the maximum number of Placement Securities.
5. The issued Share capital has been calculated as the prescribed variable "A" (as set out in the formula in Listing Rule 7.1A.2) as at 15 December 2021.
6. The Issue Price of the Placement Securities used in the Table 11 is the same as the closing market price and does not take into account the discount to the closing market price (if any).

5. *Company's Allocation Policy – Listing Rule 7.3A.5*

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue of the Placement Securities. The identity of the allottees of the Placement Securities will be determined on a case-by-case basis having regard to a number of factors including but not limited to the following:

- (1) the methods of raising funds that are available to the Company including, but not limited to, rights issue or other issue in which existing shareholders can participate;
- (2) the effect of the issue of the Placement Securities on the control of the Company;
- (3) the financial situation and solvency of the Company; and
- (4) advice from corporate, financial and broking advisers (if applicable).

The allottees of the Placement Securities have not been determined as at the date of this Notice but may include existing substantial Shareholders and new Shareholders who are not related parties or associates of a related party of the Company. Furthermore, if the Company is successful in acquiring new assets or investments for which the Placement Securities are issued as consideration, it is likely that the allottees of some of the Placement Securities will be the vendors of the new assets or investments.

6. *Equity Issues Under Listing Rule 7.1A.2 Over Last 12 Months – Listing Rule 7.3A.6*

As the Company has previously sought approval for the additional placement capacity under Listing Rule 7.1A, and specifically pursuant to the requirements of Listing Rule 7.3A.6(b), all of the cash and non-cash equity issues made by the Company since the date of the last AGM are detailed in **Schedule 4**. For the purpose of Listing Rule 7.3A.6(a), the Company advises as follows:

Table 12 – Equity issues over last 12 months

<i>Number of equity securities on issue at commencement of 12-month period</i>	12,716,786,867
<i>Equity securities issued in prior 12-month period* pursuant to Listing Rule 7.1A.2</i>	-
<i>Percentage equity issues pursuant to Listing Rule 7.1A.2 represent of total number of equity securities on issue at commencement of 12-month period</i>	0.00%

Voting Exclusion Statement

A Voting Exclusion Statement is included for this Resolution in the Notice of Meeting accompanying the Explanatory Memorandum.

5. Directors' Recommendation

The Directors recommend that you vote in favour of this Special Resolution.

DEFINITIONS

Term is used in this Explanatory Memorandum shall have the meanings ascribed to them in the Listing Rules or the Corporations Act as appropriate, unless otherwise defined below, or in the body of the Explanatory Memorandum. The following terms shall have the meanings ascribed to them below:

Additional Freehold Land means that land identified as such in **Schedule 3 – Taronga Project**.

Additional 10% Placement means the additional 10% of issued capital over a 12-month period from the date of the Annual General Meeting under Listing Rule 7.1A.

Advisory Resolution has the same meaning as when used in Section 250R of the Corporations Act.

Annual General Meeting or Meeting means this meeting.

ASIC means the Australian Securities and Investments Commission.

ATO means the Australian Taxation Office.

ASX means ASX Limited ABN 98 008 624 691.

Board means the board of Directors of the Company.

Closely Related Party (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- a spouse or child of the member; or
- a child of the member's spouse; or
- a dependant of the member or the member's spouse; or
- anyone else who is one of the member's family and may be expected to influence the member, or to be influenced by the member, in the member's dealings with the entity; or
- a company the member controls; or
- a person prescribed by regulations issued pursuant to the Corporations Act.

Coal Projects means each of the Company's interests in:

- the 'Ashford Coking Coal Project' consisting of the 2 exploration licenses EL6234 and EL6428 situated 10 km north of the Ashford township and 50 km north of Inverell in New South Wales; and
- the 'Mackenzie Coal Project' comprising Mineral Development License (MPL 503) and Exploration Permit Coal (EPC 1445) both located 30 km north-east the Blackwater in the Bowen Basin.

Company means Aus Tin Mining Limited ACN 122 957 322.

Completion has the meaning given to it under the heading "**2. Material Terms and Conditions of the First Tin Agreement**" in that part of the Explanatory Memorandum dealing with **Resolution 5**, and the cognate Complete has a corresponding meaning.

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

Director means a director of the Company.

Directors Fee Plan has the meaning given to that term in the Explanatory Memorandum in respect of **Resolution 4**.

Disposal of Taronga has the meaning given to it under the heading "**1. Background to the disposal of the Taronga Project**" in that part of the Explanatory Memorandum dealing with **Resolution 5**.

Duty means any stamp, transaction or registration duty or similar charge imposed by a Government Body and includes any interest, fine, penalty, charge or other remount imposed in respect of any of them, including any charged under the *Duties Act 1997* (NSW).

FAT Act means the *Foreign Acquisitions and Takeovers Act 1975* (Cth) and any regulation made pursuant to it.

Freehold Land means that land identified as such in **Schedule 3 – Taronga Project**.

Freehold Land Purchase Price means the amount for which Taronga will purchase the Freehold Land from the Company (as provided for in the First Tin Agreement), being an amount of \$1,350,000 plus any GST or Duty payable as a result of the purchase.

FIRB means the Australian Foreign Investment Review Board or any other relevant Government Body authorised to provide FIRB Approval.

FIRB Approval means a written statement provided by FIRB that it has no objection to (or approves) the acquisition of the Sale Shares pursuant to the First Tin Agreement.

First Tin means First Tin Limited, a company registered in England and Wales with CRN 07931518.

First Tin Agreement has the meaning given to it in has the meaning given to it under the heading “**1. Background to the disposal of the Taronga Project**” in that part of the Explanatory Memorandum dealing with **Resolution 5**.

First Tin Loan means the loan to be made by First Tin to Taronga pursuant to the terms of the First Tin Loan Agreement, being in the amount of \$1,553,878, or such higher amount as agreed between the parties.

First Tin Loan Agreement has the meaning given to it under the heading “**1. Background to the disposal of the Taronga Project**” in that part of the Explanatory Memorandum dealing with **Resolution 5**.

Government Body means any person, body or other thing exercising an executive, legislative, judicial or other governmental function of the Commonwealth of or any State of Australia, and any public authority constituted by any law of the Commonwealth of or any State of Australia, and any person deriving a power directly or indirectly from a Government Body.

GST has the meaning given to it in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Guidance Note 12 means ASX’s *Guidance Note 12 Significant Changes to Activities*.

Issue Price means the price per security at which the Placement Securities may be issued.

Key Management Personnel or **KMP** has the definition given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of that entity.

Key Shareholders means:

- a) each of the following;
 - (1) Laneway Resources Limited;
 - (2) DGR Global Limited;
 - (3) Samuel Holdings Pty Ltd <Discretionary A/C>;
 - (4) Tenstar Trading Limited; and
- b) the Directors and any of their related entities.

Lind means The Australian Special Opportunity Fund, LP as managed and represented by the Lind Partners Australia, LLC.

Lind Facility means Convertible Security Funding Agreement entered into between ANW and The Australian Special Opportunity Fund, LP dated on or about 19 April 2018 and varied by deed on or about 17 December 2018.

LSE means the Main Market of the London Stock Exchange.

Listing Rules means the listing rules of ASX as amended, varied or replaced from time to time.

Maximum Shares means the maximum amount of Plan Shares which may be issued under the Directors’ Fee Plan in any 12-month period from the date of the AGM, being 115,000,000.

Meeting or **Annual General Meeting** means the annual general meeting of the Company to be held on 28 January 2022.

Notice of Meeting or **Notice** means the Notice of Meeting and this Explanatory Memorandum.

Ordinary Resolution means a Resolution passed by a majority of the votes cast at a general meeting of Shareholders.

Options means an option to subscribe for Shares granted by the Company.

Participating Director has the meaning given to that term in the Explanatory Memorandum in respect of **Resolution 4**.

Placement Securities means the new equity securities for the purposes of Listing Rule 7.1A.

Plan Shares has the meaning given to that term in the Explanatory Memorandum in respect of **Resolution 4**.

Queensland Projects means: the mineralisation centred on EPM 19366 located 30 km south-west of Gympie; Mount Cobalt and Pembroke which the Company believes is prospective nickel, copper and cobalt. These projects were the subject of the Company’s following announcements to the ASX: ‘Further Copper Nickel and Gold Intersections at Pembroke’ dated 2 March 2011; ‘Further high-grade cobalt results at Mt Cobalt’ dated 16 February 2018; and ‘Shallow High-grade Nickel Intersections at Mt Cobalt’ dated 10 May 2019.

related entity has the meaning given to it in the Corporations Act.

Resolution means a resolution proposed at the Meeting.

Shareholder means a holder of ordinary Shares in the Company.

Special Resolution means a resolution passed by more than 75% of the votes cast at a general meeting of Shareholders.

Shares means ordinary fully paid shares in the issued capital of the Company.

Taronga means Taronga Mines Pty Ltd ACN 126 854 288.

Taronga Loan means the total amount of money lent by the Company to Taronga, which at the date of this Notice is approximately \$2,550,000.

Taronga Project means those assets located in New South Wales and more particularly described in **Schedule 3 – Taronga Project**.

Tenements means those tenements identified as such in **Schedule 3 – Taronga Project**.

Voting Restriction has the meaning given to that term in the Explanatory Memorandum in respect of **Resolution 1**.

VWAP means volume weighted average price.

Schedule 1 – Summary of Terms of Directors Fee Plan

1. All Executive and Non-Executive Directors of the Company shall be entitled during the term of the Directors' Fee Plan (**Plan**) to elect by notice in writing to the Company (**Election Notice**) to be paid some or all of the remuneration due and owing to them by the Company from time to time as fees for services (**Outstanding Remuneration**) by way of an issue of Shares (**Plan Shares**).
2. An Election Notice may be given by an Executive and/or Non-Executive Director (**Participating Director**) within ten (10) Business Days after each Quarter during the Plan and shall specify:
 - (a) the amount of any Outstanding Remuneration that a Participating Director wishes to be paid by way of Plan Shares under the Plan; and
 - (b) whether the Participating Director wishes to have the Plan Shares issued in his or her own name or in the name of a nominee (**Recipient**).
3. In addition, an Election Notice may be given by a Participating Director within ten (10) Business Days after the Plan is approved by Shareholders (Approval Date) which shall specify:
 - (a) the amount of any Outstanding Remuneration as at the Approval Date that a Participating Director wishes to be paid by way of Plan Shares under the Plan; and
 - (b) whether the Participating Director wishes to have the Plan Shares issued in his or her own name or in the name of a Recipient.
4. An Election Notice may be given to the Company in any manner permitted under the Constitution for service by the Company of notices.
5. Upon receipt of an Election Notice, Plan Shares may be issued to each Participating Director who elects to be issued Plan Shares *in lieu* of any Outstanding Remuneration as specified in the Election Notice.
6. The obligation of the Company to issue any Plan Shares is subject to obtainment of any approvals which may be required under:
 - (a) the Listing Rules; and
 - (b) the *Corporations Act 2001* (Cth).
7. The issue price of each Plan Share shall be:
 - (a) subject to paragraph b) immediately below, the closing market price on the trading day immediately prior to an Election Notice being given by the relevant Participating Director (and any fractional entitlement to be issued Plan Shares shall be rounded up to the nearest whole number); and
 - (b) where the Plan Shares are being issued at the same time as or as part of a capital raising involving other existing Shareholders or third parties, the Plan Shares shall be issued at the same price as the Shares issued to those other Shareholders or third parties.
8. The Company shall:
 - (a) issue the Plan Shares to a Recipient within three (3) Business Days of receipt of an Election Notice;
 - (b) forthwith deliver a statement of holding to the Recipient in respect of the Plan Shares; and
 - (c) cause the Plan Shares to be listed on ASX as soon as reasonably practicable at the Company's cost and expense.
9. Unless otherwise approved by Shareholders of the Company, the maximum number of securities which may be issued under the Plan is 345,000,000 Plan Shares in each three years after a shareholders' resolution approving issues under it, with a maximum of 115,000,000 Plan Shares (**Maximum Shares**) per year.
10. Terms used herein shall have the meanings ascribed to them in the Listing Rules, unless otherwise defined below. For the purposes of interpretation of this Plan:
 - (a) **Constitution** means the Constitution of the Company;
 - (b) **Quarter** means a period of three months commencing on 1 January, 1 April, 1 July or 1 October;
 - (c) **Listing Rules** means the Listing Rules of ASX Limited; and
 - (d) **Shares** means ordinary fully paid shares in the Company.

Schedule 2 – Pro-forma statement of the Company’s financial position of the Company showing the financial effect of the Disposal of the Taronga Project

Aus Tin Mining Ltd - Pro Forma Balance Sheet

As at 30 November 2021	Actual \$	Adjustments \$	Pro Forma \$
ASSETS			
Current Assets			
Cash and Cash Equivalents			
Cash at Bank	742,046		742,046
Other Current Assets			
Prepayments & Receivables	11,539		11,539
Total Current Assets	753,585		753,585
Non Current Assets			
Other Financial Assets			
Inter Company Investments			
Renison Coal Pty Ltd (Ashford Coal Project)	2,694,073		2,694,073
First Tin Ltd	-	33,000,000	33,000,000
Security Deposits			
Refundable Deposit - Mackenzie Coal Project	50,000		50,000
Security Deposits	42,697		42,697
Property, Plant and Equipment			
Property and Land at Cost	183,030	(135,000)	48,030
Fixed Assets	92,303		92,303
Accumulated Depreciation	(42,063)		(42,063)
Right of Use Asset (Motor Vehicle)	69,032		69,032
Accumulated Depreciation	(6,510)		(6,510)
Loans with related parties			
Intercompany Loans	8,658,888	(2,862,358)	5,796,531
Exploration and evaluation assets			
Queensland Tenement Package	5,808,350		5,808,350
Total Non Current Assets	17,549,801		47,552,444
TOTAL ASSETS	18,303,386		48,306,028
LIABILITIES			
Current Liabilities			
Trade and Other Payables			
Payables and Accruals	73,632		73,632
Borrowings			
Lease Liability - Toyota Hilux (Current)	6,571		6,571
Employee Benefits			
Employment Related Provisions	52,206		52,206
Total Current Liabilities	132,409		132,409
Non Current Liabilities			
Lease Liability - Toyota Hilux (Non-Current)	53,912		53,912
Total Non Current Liabilities	53,912		53,912
TOTAL LIABILITIES	186,320		186,320
NET ASSET POSITION	18,117,065		48,119,708
EQUITY			
Paid up Capital	29,591,214		29,591,214
Retained Earnings	(11,474,149)	30,002,643	18,528,493
TOTAL EQUITY	18,117,065		48,119,708

Schedule 3 – Taronga Project

The Taronga Project consists of the following assets:

1) Freehold Land

Owner	John Richard Burey as trustee for the JR Burey Trust
Freehold Land Purchase Price	\$1,350,000
Deposit	\$135,000
Local Authority	Glen Innes
Folio	83/7533314
	167/7533314
	158/820202
Description of Freehold Land	“Welcamp”, 805 Schroder’s Road, Emmaville NSW 2371 and being Lot 83 on Deposited Plan No 753314 and Lot 167 on Deposited Plan No 820202

2) Additional Freehold Land

Owner	Local authority	Folio	Description of additional Freehold land
Aus Tin Mining Ltd (in the process of being transferred to Taronga Mines Pty Ltd)	Glen Innes	12/1264367	2 Glen Innes Road, Emmaville NSW 2371 and being Lot 12 on Deposited Plan 1264367 at Emmaville
Aus Tin Mining Ltd (in the process of being transferred to Taronga Mines Pty Ltd)	Glen Innes	2/1008294	Lot 2 Schrodgers Road, Emmaville NSW 2371 and being Lot 2 on Deposited Plan 1008294

3) Tenements

Tenement	Location	Interest	Grant date	Expiry date
ML 1774	NSW (Taronga-Emmaville)	100%	21/09/2018	21/12/2029
EL 7800	NSW (Pound Flat-Emmaville)	100%	04/07/2011	04/07/2022
EL 7801	NSW (Torrington)	100%	19/08/2021	04/07/2024
EL 8335	NSW (Taronga-Emmaville)	100%	05/01/2015	05/01/2024
EL 8407	NSW (Torrington)	100%	04/11/2015	04/11/2023

4) All other minor fixtures, plant and equipment situated on the Tenements.

ENTITLEMENT TO VOTE

The Board has determined, in accordance with the Corporations Regulations 2001 that for the purposes of determining those Shareholders entitled to attend and vote at the Annual General Meeting of the Company, shall be those persons recorded in the register of Shareholders as at 6:00 pm (Brisbane Time) on 26 January 2022. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

How to Vote

You may vote by attending the Annual General Meeting in person, by proxy or authorised representative.

Voting in Person

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

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to vote on their behalf. Where a member is entitled to cast two or more votes, they may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. A proxy need not be a member of the Company.

Members who are a body corporate are able to appoint representatives to attend and vote at the meeting under Section 250D of the *Corporations Act 2001* (Cth).

If a representative of the Company is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

Signing instructions

You must sign the proxy form as follows in the spaces provided:

- | | |
|--------------------|--|
| 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 security holders should sign. |
| Power of Attorney: | To sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it. |
| 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 <i>Corporations Act 2001</i> (Cth)) 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 or capacity held by signing in the appropriate place.

To vote by proxy, the proxy form provided with this notice (and the original or a certified copy of any power of attorney under which it is signed) must be received by the Company not less than forty eight (48) hours before the scheduled time for the meeting. Any proxy form received after that time will not be valid for the scheduled meeting.

Completed proxies can be returned to the Company Secretary by either mail to GPO Box 5261, Brisbane, Queensland 4001; or facsimile to (07) 3303-0681, or scanned and emailed to kschlobohm@austinmining.com.au