

TRUSCOTT MINING CORPORATION LIMITED

ACN 116 420 378

NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY MEMORANDUM

Date of Meeting

Friday 28th November 2014

TIME OF MEETING

10.00am

PLACE OF MEETING

Kimberley Room, Maxim Hall Chadwick

255 Hay Street

Subiaco WA 6008

As this is an important document, please read it carefully.

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

TRUSCOTT MINING CORPORATION LIMITED
ACN 116 420 378

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Truscott Mining Corporation Limited ACN 116 420 378 (“**Company**”) will be held in the Kimberley Room, Maxim Hall Chadwick, 255 Hay Street, Subiaco, WA 6008 Friday 28th November 2014 commencing at 10.00am.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of Meeting. Terms used in this Notice of General Meeting will, unless the context otherwise requires, have the same meaning as given to them in the Glossary as contained in the Explanatory Memorandum.

AGENDA

BUSINESS

Financial Statements and Reports

To receive and consider the financial statements of the Company and the Reports of the Directors and Auditor for the financial year ended 30 June, 2014.

RESOLUTIONS

Resolution 1 – Adoption of Remuneration Report

To consider, and if thought fit to pass, with or without amendment, the following resolution as an ordinary, non-binding resolution.

“That, for the purposes of section 250R of the Corporations Act 2001 and for all other purposes, the company adopts the Remuneration Report as contained in the annual financial report of the Company for the financial year ended 30 June 2014.”

Voting prohibition statement

In accordance with the Corporations Act 2001, the company will disregard any votes on Resolution 1 cast by or on behalf of either a member of key management personnel (details of whose remuneration are included in the Remuneration report) or a closely related party of such a member.

However, a person described above may cast a vote on Resolution 1 if the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1, and the vote is not cast on behalf of a member of key management personnel or a closely related party of such a member.

Please note that if a member directs their proxy vote on Resolution 1 to be at the discretion of the Chairman that vote will not be counted. If a member wants to cast a valid proxy vote on Resolution 1 then the member must indicate their voting intention by marking the appropriate box.

Resolution 2 – Re-election of Director

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

“That Mr Michael J Povey being a director of the Company, who retires by rotation in accordance with Rule 11.3 of the Company’s Constitution and, being eligible for re-election, is hereby re-elected a director of the Company.”

Voting exclusion statement

The Company will in accordance with section 224 of the Corporations Act 2001 disregard any votes cast on this Resolution 2 by Michael J Povey or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed Resolution; and it is not cast on behalf of Michael J Povey or an associate of Michael J Povey.

Resolution 3 – Ratify issue of Shares to employee – Dr Judith Hanson

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

“That, for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders ratify the issue and allotment on 15 October 2014 of 250,000 fully paid ordinary shares at an issue price of 4 cents per share to Dr Judith Hanson. Further details of which are set out in the Explanatory Statement accompanying this Notice of General Meeting”.

Voting exclusion statement

The Company will disregard any votes cast on this Resolution 3 by Dr Judith Hanson and any associate of Dr Hanson. However, the company need not disregard a vote if:

it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4 – Ratify issue of Shares to employee – Mr Ivan Henderson

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

“That, for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders ratify the issue and allotment on 15 October 2014 of 250,000 fully paid ordinary shares at an issue price of 4 cents per share to Mr Ivan Henderson. Further details of which are set out in the Explanatory Statement accompanying this Notice of General Meeting”.

Voting exclusion statement

The Company will disregard any votes cast on this Resolution 4 by Mr Ivan Henderson and any associate of Mr Henderson. However, the company need not disregard a vote if:

it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5 – Ratify Previous Issue of Shares to Sophisticated and/or Professional investors

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

“That, for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders ratify the issue and allotment on 15 October 2014 of 1,825,000 fully paid ordinary shares at an issue price of 4.0 cents per share. Further details of which are set out in the Explanatory Statement accompanying this Notice of General Meeting.”

Voting exclusion statement

The Company will disregard any votes cast on this Resolution 5 by a person who participated in the issue and an associate of that person (or those persons). However, the company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 6 – Issue of Shares to director – Mr Michael J Povey

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

“That, pursuant to Listing Rule 10.11 and Section 208 of the Corporations Act and for all other purposes, the Directors be authorised to issue 1,080,000 fully paid ordinary shares at an issue price of 4.0 cents per share to Michael J Povey in lieu of Director fees. Further details of which are set out in the Explanatory Memorandum accompanying this Notice of General Meeting.”

Voting exclusion statement

The Company will in accordance with section 224 of the Corporations Act 2001 and Listing Rule 10.11 disregard any votes cast on this Resolution 6 by Michael J Povey and any of his associates. However, the company need not disregard a vote if:

it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 7 – Issue of Shares to director – Mr Michael J Povey

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

“That, pursuant to Listing Rule 10.11 and Section 208 of the Corporations Act and for all other purposes, the Directors be authorised to issue 360,000 fully paid ordinary shares at an issue price of 4.0 cents per share to Michael J Povey in lieu of consulting fees. Further details of which are set out in the Explanatory Memorandum accompanying this Notice of General Meeting.”

Voting exclusion statement

The Company will in accordance with section 224 of the Corporations Act 2001 and Listing Rule 10.11 disregard any votes cast on this Resolution 7 by Michael J Povey and any of his associates. However, the company need not disregard a vote if:

it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 8 – Issue of Shares to director – Mr Peter N Smith

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

“That, pursuant to Listing Rule 10.11 and Section 208 of the Corporations Act and for all other purposes, the Directors be authorised to issue 1,440,000 fully paid ordinary shares at an issue price of 4.0 cents per share to Peter N Smith in lieu of Director fees. Further details of which are set out in the Explanatory Memorandum accompanying this Notice of General Meeting.”

Voting exclusion statement

The Company will in accordance with section 224 of the Corporations Act 2001 and Listing Rule 10.11 disregard any votes cast on this Resolution 8 by Peter N Smith and any of his associates. However, the company need not disregard a vote if:

it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 9 – Issue of Shares to director – Mr Peter N Smith

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

“That, pursuant to Listing Rule 10.11 and Section 208 of the Corporations Act and for all other purposes, the Directors be authorised to issue 1,732,500 fully paid ordinary shares at an issue price of 4.0 cents per share to Peter N Smith in lieu of consulting fees. Further details of which are set out in the Explanatory Memorandum accompanying this Notice of General Meeting.”

Voting exclusion statement

The Company will in accordance with section 224 of the Corporations Act 2001 and Listing Rule 10.11 disregard any votes cast on this Resolution 9 by Peter N Smith and any of his associates. However, the company need not disregard a vote if:

it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 10 – Issue of Shares to director – Ms Rebecca T Moore

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

“That, pursuant to Listing Rule 10.11 and Section 208 of the Corporations Act and for all other purposes, the Directors be authorised to issue 1,080,000 fully paid ordinary shares at an issue price of 4.0 cents per share to Rebecca T Moore in lieu of Director fees. Further details of which are set out in the Explanatory Memorandum accompanying this Notice of General Meeting.”

Voting exclusion statement

The Company will in accordance with section 224 of the Corporations Act 2001 and Listing Rule 10.11 disregard any votes cast on this Resolution 10 by Rebecca T Moore and any of her associates. However, the company need not disregard a vote if:

it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Please note terms used in Resolutions 3 to 10 (inclusive) of this Notice of Meeting have the same meaning as set out in the glossary of the Explanatory Memorandum accompanying this Notice.

Short explanation for Resolutions 6 – 10: The directors agreed not to receive cash for their 2014 directors’ fees and superannuation entitlements, but instead to receive fully paid ordinary shares, subject to shareholder approval. The directors also agreed to receive part of their consulting fees in shares, subject to shareholder approval. The purpose is to increase the incentive of the directors to work towards increasing shareholder value and to enable more cash for working capital and for the Company’s research and exploration programs.

By Order of the Board of Directors



Michael J Povey
Company Secretary
Truscott Mining Corporation Limited
27 October 2014

PROXIES

A member of the Company who is entitled to attend and vote at the meeting may appoint a proxy to attend and vote for the member at the meeting, or any adjournment thereof. A proxy need not be a member of the Company.

A proxy form is attached. If required it should be completed, signed and returned to the company's registered office in accordance with the proxy instructions on that form.

In accordance with Regulation 7.11.37 of the Corporations Regulations, the directors have determined that the identity of those entitled to attend and vote at the meeting is to taken as those persons who were registered as holding shares in the Company as at 5.00 p.m. on 26 November 2014.

TRUSCOTT MINING CORPORATION LIMITED
ACN 116 420 378

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the Shareholders of Truscott Mining Corporation Limited in connection with the business to be conducted at the forthcoming Annual General Meeting of the Company, or any adjournment thereof and should be read in conjunction with the accompanying notice of meeting.

The Directors recommend that Shareholders read this Explanatory Memorandum before determining whether or not to support the Resolutions.

Annual Financial Report

The financial report of the Company for the financial year ended 30 June 2014 (including the financial statements, directors' report and auditors' report) was included in the 2014 Annual Report of the Company. A link to the Annual Report is available on the Company's website at www.truscottmining.com.au

There is no requirement for shareholders to approve these reports. However, time will be allowed during the annual general meeting for consideration by shareholders of the financial statements and the associated directors' and auditors' reports.

Resolution 1 – Remuneration Report

The Corporations Act 2001 requires that the Directors' Report must contain a Remuneration Report containing information about the Board's policy for determining the nature and amount of the remuneration of Directors and senior management. The Remuneration Report must also explain the relationship between the remuneration policy of the Board and the Company's performance. Shareholders are required to vote on a non-binding resolution to adopt the Remuneration Report.

Please note that the vote on this item is advisory only and does not bind the Directors of the Company or the Company.

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at the 2014 AGM, and then again at the 2015 AGM, the Company will be required to put a resolution to the 2015 AGM, to approve calling an extraordinary general meeting ("spill resolution"). If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene an extraordinary general meeting ("spill meeting") within 90 days of the 2015 AGM. All of the Directors who were in office when the 2015 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the spill meeting. The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to directors, sets out remuneration details for each Director and any service agreements and sets out the details of any share based compensation.

Members of key management personnel, including the directors, of the Company will be excluded from voting on Resolution 1.

In accordance with section 250R of the Corporations Act 2001 if a member directs their proxy vote on Resolution 1 to be at the discretion of the Chairman that vote will not be counted. If a

member wants to cast a valid proxy vote on Resolution 1 then the member must indicate their voting intention by marking the appropriate box.

Resolution 2 – Re-Election of Director

Mr Michael J Povey

Pursuant to rule 11.3 of the Company's Constitution, at each Annual General Meeting, one third of the Directors (or, if their number is not a multiple of 3, then the number nearest to one third) must retire from office. The Directors retire by rotation, with the Directors who have been the longest in the office since being appointed or re-appointed being the Directors who must resign in any year. If 2 or more persons became directors (or were re-elected) on the same day, those to retire must be determined by lot unless they otherwise agree among themselves. All directors are entitled to offer themselves for re-election as a Director at the Annual General Meeting which coincides with their retirement.

Accordingly, Mr Povey will retire in accordance with the requirements of the Company's Constitution at the Annual General Meeting. As he is entitled and is eligible for re-election, he seeks re-election as a director of the Company at the meeting.

Mr Povey is an accountant with public accounting experience with major accounting firms including Deloitte and KPMG. He has also lectured in both undergraduate and postgraduate business courses at Curtin University. Mr Povey subsequently established an accounting practice concentrating on taxation and company reporting. He has been the Company Secretary and an executive Director of the company since it was incorporated in September 2005. Mr Povey is chair of the audit committee.

Directors' recommendation:

Your Directors have reviewed the necessary competencies of the Board members and each candidate's contribution to the Board and, with Mr Povey abstaining, unanimously recommend Mr Povey's re-election.

Resolution 3 – Issue of Shares to Dr Judith Hanson – Research Geologist

Dr Hanson is a senior research geologist employed by the company to assist with our research and exploration programs. In the period 1 July 2013 to 14 October 2014 Dr Hanson worked on the Company's research and exploration programs and was only paid in part for her services to the Company. In recognition of these additional services the directors issued 250,000 fully paid ordinary shares at an issue price of 4.0 cents per share.

Subject to certain exceptions, none of which are relevant here, the Directors are restricted by Listing Rule 7.1 from issuing or agreeing to issue new securities in the Company in any 12 month period, which amount to more than 15% of the company's ordinary securities on issue without Shareholder approval (15% Limit Rule).

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to 15% of the issued capital of the company without requiring shareholder approval.

In accordance with listing rule 7.1, the following information is provided to shareholders:

- (1) The securities were issued to Dr Judith Hanson.
- (2) The total number of fully paid ordinary shares issued at a price of 4.0 cents was 250,000.
- (3) The shares were issued as payment for services rendered by Dr Hanson. The Directors determined that the value of those services, for which no payment had been received by Dr Hanson was \$10,000. The shares were issued on 15 October 2014.
- (4) Each share issued ranked pari passu with the Company's then issued shares.
- (5) No funds were raised by the issue of the shares, but as stated above, there has been a saving of \$10,000 in the company's cash outflow.

The issue of shares greatly assisted the cash flow of the Company and also encourages Dr Hanson to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through share ownership.

Directors' recommendation:

All Directors were available to consider Resolution 3 – issue of shares:

Peter N Smith, Michael J Povey, and Rebecca T Moore (who do not have an interest in Resolution 3) recommend to Shareholders that they vote in favour of Resolution 3 for the reasons outlined in this Explanatory Memorandum.

Resolution 4 – Issue of Shares to Mr Ivan Henderson – Senior Geologist

Mr Henderson is a senior geologist employed by the company to assist with our research and exploration programs. In the period 1 July 2013 to 14 October 2014 Mr Henderson worked on the Company's research and exploration programs and was only paid in part for his services to the Company. In recognition of these additional services the directors issued 250,000 fully paid ordinary shares at an issue price of 4.0 cents per share.

Subject to certain exceptions, none of which are relevant here, the Directors are restricted by Listing Rule 7.1 from issuing or agreeing to issue new securities in the Company in any 12 month period, which amount to more than 15% of the company's ordinary securities on issue without Shareholder approval (15% Limit Rule).

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to 15% of the issued capital of the company without requiring shareholder approval.

In accordance with listing rule 7.1, the following information is provided to shareholders:

- (1) The securities were issued to Mr Ivan Henderson.
- (2) The total number of fully paid ordinary shares issued at a price of 4.0 cents was 250,000.
- (3) The shares were issued as payment for services rendered by Mr Henderson. The Directors determined that the value of those services, for which no payment had been received by Mr Henderson was \$10,000. The shares were issued on 15 October 2014.
- (4) Each share issued ranked pari passu with the Company's then issued shares.

- (5) No funds were raised by the issue of the shares, but as stated above, there has been a saving of \$10,000 in the company's cash outflow.

The issue of shares greatly assisted the cash flow of the Company and also encourages Mr Henderson to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through share ownership.

Directors' recommendation:

All Directors were available to consider Resolution 4 – issue of shares:

Peter N Smith, Michael J Povey, and Rebecca T Moore (who do not have an interest in Resolution 4) recommend to Shareholders that they vote in favour of Resolution 4 for the reasons outlined in this Explanatory Memorandum.

Resolution 5 – Ratify Previous Issue of Shares

On 15 October 2014 the Company announced to the ASX that it had issued, by way of placements to sophisticated and/or professional investors, a total of 1,825,000 fully paid ordinary shares at 4.0 cents per share for a total consideration of \$73,000. The purpose of the share issue was to raise funds for Research and Exploration activities on the Company's tenements in the Northern Territory, and for working capital.

Subject to certain exceptions, none of which are relevant here, the Directors are restricted by Listing Rule 7.1 from issuing or agreeing to issue new securities in the Company in any 12 month period, which amount to more than 15% of the company's ordinary securities on issue without Shareholder approval (15% Limit Rule).

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to 15% of the issued capital of the company without requiring shareholder approval.

Pursuant to section 708 of the Corporations Act, the offer of the Shares under the 15 October 2014 placement did not require the issue of a prospectus as they were made either to professional investors under section 708(11) of the Corporations Act, or to sophisticated investors under section 708(8) of the Corporations Act.

The Company wishes to ratify the issue pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 15% of its issued capital at any time during the next 12 months.

The number of Shares issued under the October placement represented approximately 2.14% of the Company's share capital on issue immediately prior to the issue of the placement Shares. This issue did not breach the 15% threshold set by Listing Rule 7.1. The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) A total of 1,825,000 Shares were allotted
- (b) The shares were issued for 4.0 cents per share

(c) The shares are fully paid ordinary shares that rank equally in all respects with existing Shares.

(d) The names of the allottees to whom the Shares were allotted were

BERESFORD CORPORATE PTY LTD	300,000
SUCCESS INVESTMENTS PTY LIMITED	150,000
RICHARD JOHN LEWIS	500,000
SL INVESTORS PTY LTD	500,000
JULIE MOLONEY	250,000
WAYNE COOPER DESIGN COMPANY PTY LIMITED	125,000
	<u>1,825,000</u>

(e) The allottees are not related parties to the Company or its associates.

(f) The funds raised by the issue of the Shares, the subject of Resolution 5, have been, or will be used for Research and Exploration Activities on the Company's tenements in the Northern Territory, and for working capital.

Resolutions 6 to 10 – Issue of Shares to the Directors

Under Resolutions 6 to 10, the Company proposes to issue 5,692,500 fully paid ordinary shares to a total value of \$227,700.00 to Peter N Smith, Michael J Povey and Rebecca T Moore as follows:

Name	Position	Value
Peter N Smith	Executive Chairman / Managing Director	\$126,900.00
Michael J Povey	Executive Director / Company Secretary	\$57,600.00
Rebecca T Moore	Non-Executive Director	\$43,200.00

The issue of the shares is to replace Directors' fees and superannuation payable as cash for the year to 30 June 2014 and also to part replace consulting fees payable for the period 1 October 2013 to 30 June 2014. The issue of shares encourages the Directors to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through share ownership. The issue of shares in lieu of cash also greatly assists the company in retaining cash for use in research and exploration activities without the need to go to the market to raise additional capital and with no capital raising costs. The amounts of directors' fees and superannuation that the shares replace are:

	\$	Shares
Mr P N Smith	57,600.00	1,440,000
Mr M J Povey	43,200.00	1,080,000
Ms R T Moore	43,200.00	1,080,000
	<u>\$ 114,000.00</u>	<u>3,600,000</u>

The amounts of consulting fees that the shares replace are:

	\$	Shares
Mr P N Smith	69,300.00	1,732,500
Mr M J Povey	14,400.00	360,000
Ms R T Moore	<u>0.00</u>	<u>0</u>
	<u>\$ 83,700.00</u>	<u>2,092,500</u>

Totals in relation to the above are:

	\$	Shares
Mr P N Smith	126,900.00	3,172,500
Mr M J Povey	57,600.00	1,440,000
Ms R T Moore	<u>43,200.00</u>	<u>1,080,000</u>
	<u>\$ 227,700.00</u>	<u>5,692,500</u>

The total value of shares to be issued to the Directors has been determined based on the amount of remuneration foregone. Their Directors' fees and consulting fees are as disclosed in the Remuneration Report section of the Annual Report. The deemed issue price of 4 cents has been calculated using the average closing price on the 5 days shares were traded up to 24 October 2014 and rounded up to the next cent.

In accordance with listing rule 10.13, the following information is provided to shareholders:

- (1) The securities will be issued to Mr P N Smith, Mr M J Povey and Ms R T Moore
- (2) The total number of fully paid ordinary shares to be issued is 5,692,500 at a deemed issue price of 4 cents. The break-down is as per the above tables.
- (3) The shares will be issued in accordance with the agreement of the directors to receive shares in lieu of cash for directors' fees and consulting fees. The date the shares will be issued must be no later than 1 month after the date of this meeting. However, if the date of issue is later than 1 month after the date of the Annual General Meeting, an ASX waiver or modification will be sought prior to issue.
- (4) Each share issued will rank pari passu with the Company's then issued shares.
- (5) No funds will be raised by the issue of the shares, but as stated above, there has been a saving of \$227,700.00 in the company's cash outflow resulting from the sacrifice of directors' fees and consulting fees.
- (6) The shares will be issued on one day and are expected to be issued no later than the day after the AGM.

Further, the Company considers that it is in the interests of Shareholders to align the interest of the Directors and Shareholders by encouraging the Directors, subject to appropriate conditions, to have an equity holding in the Company. However the Company considers that similar to other Shareholders, this interest should arise through direct investment by the Directors.

In the event the issue of shares to the Directors is not approved at the AGM by the shareholders, the above amounts will be payable in cash as part of the normal remuneration of the Directors.

Corporations Act Requirements

Chapter 2E of the Corporations Act prohibits, subject to certain exceptions, a company from giving a financial benefit to a related party of the company without prior shareholder approval.

The Directors, Peter N Smith, Michael J Povey and Rebecca T Moore (the parties to which Resolutions 6 to 10 relate), are considered "related parties" for this purpose, and the issue of shares to them constitutes a "financial benefit" for this purpose.

The purpose of the issue is to remunerate the specified Directors for past services, i.e. for the year ended 30 June 2014 for the Directors' fees, and for the 9 months ended 30 June 2014 for the consulting fees. The Directors believe that the future success of the Company will depend in large measure on the skills and motivation of the people engaged in and overseeing the management of the Company's operations. It is therefore important that the Company is able to attract and retain people of the highest calibre.

The Directors considered that receiving shares in lieu of salary and superannuation as well as receiving shares as part payment of consulting fees conserved cash resources and allowed additional funds to be spent on research and exploration.

The Shares referred to in Resolutions 6 to 10 will be issued within one month of approval by the Shareholders.

In accordance with section 219 of the Act, the following information is provided to Shareholders to allow them to assess whether or not it is in the Company's interests to pass Resolutions 6 to 10:

- (a) The related parties to whom the proposed Resolutions would permit the financial benefits to be given are as follows:

The Directors, Peter N Smith, Michael J Povey and Rebecca T Moore, are the related parties to whom the proposed Resolutions 6 to 10 would permit a financial benefit to be given. They are related parties of the Company by virtue of section 228 of the Corporations Act.

- (b) The nature of the financial benefit proposed to be given:

The nature of the financial benefit to be given to the related parties is the issue of shares in lieu of their directors' fees for the year ended 30 June 2014 and part of their consulting fees for the 9 months ended 30 June 2014.

- (c) The number of Shares to be issued to the Directors represents approximately 6.49% of the Company's share capital on issue immediately prior to the issue of the Shares. This is made up of: Mr PN Smith 3.62%; Mr MJ Povey 1.64%; and Ms RT Moore 1.23%.

Details of Directors' remuneration

The remuneration for each director of the company during the year ended 30 June 2014 was as follows:

Name	Short-term benefits		Post-employment benefits	Share based payments	Totals
	Salary, fees & commissions \$	Consulting fees paid in cash \$	Superannua-tion \$	Non-cash shares value \$	
<u>Executive directors</u>					
P N Smith	0	83,100	0	126,900	210,000
M J Povey	0	45,200	0	57,600	102,800
<u>Non-executive director</u>					
R T Moore	0	0	0	43,200	43,200
Totals	0	128,300	0	227,700	356,000

In order to conserve cash for research, exploration and working capital purposes the directors agreed to receive "payment" for director fees in fully paid ordinary (FPO) shares and also agreed to receive part of their consulting fees in FPO shares.

These shares are subject to shareholder approval under resolutions 6 to 10 and will only be issued once the approval has been received at the AGM. If such approval is not received, the above amounts become payable in cash under the terms of their appointments. The consulting fees were paid either to the director or to entities associated with the respective directors. The non-cash shares value were for the directors' fees and the consulting fees for services rendered under normal commercial arrangements and at commercial rates by the directors or by entities associated with the directors.

Consultancy agreements

Remuneration and other terms of employment for Mr P N Smith and Mr M J Povey are formalised in consultancy agreements. Ms R T Moore's director's fees are covered in her letter of appointment. Each of the above agreements provide for directors' fees, superannuation and the provision of professional services. A summary of the agreements is as follows:

The term of each agreement was for 2 years commencing from 30 June 2011. If not renewed the agreements continue on a monthly basis.

Amounts payable were fixed for the 2 years. There has been no change in the rates since 30 June 2011.

The agreements may be terminated by giving 3 months notice or the company paying 3 months consultancy fee in lieu of notice.

Upon termination of the agreement the consultant is not entitled to claim any compensation or damages from the Company in respect of the termination.

Annual directors' fees payable, inclusive of compulsory superannuation are:

Mr P N Smith	\$57,600
Mr M J Povey	\$43,200
Ms R T Moore	\$43,200

Minimum annual consultancy fees payable are:

Mr P N Smith	\$230,400
Mr M J Povey	\$43,200
Ms R T Moore	\$nil

Each director is entitled to receive additional consultancy/directors' fees as specified below once the following number of equivalent days have been worked each year:

Mr P N Smith	120 days	\$2,400 per day
Mr M J Povey	48 days	\$1,800 per day
Ms R T Moore	36 days	\$1,800 per day

To assist the Company Peter Smith declined to take his full remuneration.

Peter N Smith and Rebecca T Moore (who do not have an interest in Resolutions 6 and 7) recommend to Shareholders that they vote in favour of Resolutions 6 and 7 for the reasons outlined in this Explanatory Memorandum.

Michael J Povey, and Rebecca T Moore (who do not have an interest in Resolutions 8 and 9) recommend to Shareholders that they vote in favour of Resolutions 8 and 9 for the reasons outlined in this Explanatory Memorandum.

Peter N Smith and Michael J Povey (who do not have an interest in Resolution 10) recommend to Shareholders that they vote in favour of Resolution 10 for the reasons outlined in this Explanatory Memorandum.

Shares and Options held by the Directors

Number of shares held by directors and related entities

Director	Balance 1 July 2013	Acquired	Disposed	Balance 14 October 2014
P N Smith	23,278,201	2,895,000	0	26,173,201
R T Moore	375,961	1,080,000	0	1,455,961
M J Povey	1,908,199	1,501,334	0	3,409,533
Totals	25,562,361	5,476,334	0	31,038,695

The above shareholdings include both direct and indirect holdings as at 24 October 2014. Shares acquired were purchased on market and/or issued as remuneration in lieu of cash payments at the 2013 AGM.

Number of options held directly by directors

Director	Balance 1 July 2012	Expired	Expired or exercised	Balance 14 October 2014
P N Smith	1,600,000	900,000	0	700,000
R T Moore	0	0	0	0
M J Povey	1,150,000	650,000	0	500,000
Totals	2,750,000	1,550,000	0	1,200,000

Number of shares issued or to be issued as part of sacrifices in lieu of director and consulting fees for the year ended 30 June 2014

Director	Shares in lieu of director's fees	Shares in lieu of consulting fees	Total remuneration represented by shares %
P N Smith	1,440,000	1,732,500	60.43
M J Povey	1,080,000	360,000	56.03
R T Moore	1,080,000	0	100.00
Totals	3,600,000	2,092,500	63.96

The deemed issue price of the shares to be approved at this AGM is 4 cents and has been calculated using the average closing price on the 5 days shares were traded up to 24 October 2014 and rounded up to the next cent. This deemed issue price, together with the amount of remuneration sacrificed, was used to calculate the number of shares to issue at the 2014 AGM.

Please note terms used in Resolutions 3 to 10 (inclusive) of this Notice of Meeting have the same meaning as set out in the glossary of the Explanatory Memorandum accompanying this Notice.

Trade history

The last trade in the company's shares was for 3.1 cents on 14 October 2014. Over the last 12 months the shares have traded in the range 2.9 cents to 4.3 cents and over the last 3 months the shares have traded in the range 3.1 cents to 3.6 cents.

GLOSSARY

In this Explanatory Memorandum and the Notice, the following terms have the following meanings unless the context otherwise requires:

AGM	means the annual general meeting of the Company
ASIC	means Australian Securities and Investments Commission.
ASX	means Australian Stock Exchange Limited ACN 008 624 691.
Board	means the board of Directors of the Company.
Business Day	means Monday to Friday inclusive except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other

	day that ASX declares is not a business day.
Company	means Truscott Mining Corporation Limited ACN 116 420 378.
Constitution	means the constitution of the Company.
Corporations Act	means Corporations Act 2001.
Corporations Regulations	means Corporations Regulations 2001.
Director	means a director of the Company.
Listing Rules	means the Listing Rules of ASX.
Notice	means the Notice of Annual General Meeting accompanying this Explanatory Memorandum.
Resolution	means a resolution contained in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means an ordinary shareholder of the Company;
WST	means Western Standard Time

Proxy Form

Appointment of Proxy

I/we being member/s of Truscott Mining Corporation Ltd and entitled to attend and vote hereby appoint

The
chairman
of the
Meeting
(mark with
an X)

OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate 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 Annual General Meeting of Truscott Mining Corporation Ltd to be held in the Kimberley Room, Maxim Hall Chadwick, 255 Hay Street, Subiaco WA 6008, on 28 November 2014 at 10.00 a.m. and at any adjournment of that meeting.

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

		For	Against	Abstain*
Item 1	To adopt Remuneration Report*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2	Re-election of Mr Michael Povey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Ratify the issue of shares to Dr Judith Hanson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Ratify the issue of shares to Mr Ivan Henderson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5	Ratify the issue of shares to Sophisticated and/or Professional investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6	Approve issue of shares to Mr Michael J Povey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

A.B.N. 31 116 420 378

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|---------|---|--------------------------|--------------------------|--------------------------|
| Item 7 | Approve issue of shares to Mr Michael J Povey | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Item 8 | Approve issue of shares to Mr Peter N Smith | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Item 9 | Approve issue of shares to Mr Peter N Smith | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Item 10 | Approve issue of shares to Ms Rebecca Moore | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

* In accordance with section 250R of the Corporations Act 2011, if a member directs their proxy vote on Resolution 1 to be at the discretion of the Chairman that vote will not be counted. If a member wants to cast a valid proxy vote on Resolution 1 then the member must indicate their voting intention by marking the appropriate box.

Other than as noted for Resolution 1, the Chairman of the Meeting intends to vote undirected proxies in favour of items 8 and 9. If the Chair of the meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy in respect of resolutions 8 and 9, please place a mark in the box.

By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he has an interest in the outcome of resolutions 8 and 9 and that votes cast by the Chair of the meeting for those resolutions other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

* 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 and your votes will not be counted in computing the required majority on a poll.

PLEASE SIGN HERE This section *must* be signed in accordance with the instructions to enable your directions to implemented.

Individual or Securityholder 1

Sole Director and
Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

In addition to signing the Proxy form in the above box(es) please provide the information below in case we need to contact you.

Contact Name

Contact Daytime Telephone

Date

How to complete the Proxy Form

1. Your Name and Address

Please complete the Security Holder(s) name(s) and address on the lines at the top left of the form.

2. Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer or the registered securityholder in the space.

3. Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4. Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company on (08) 9327 7300 or you may copy this form.

To appoint a second proxy you must:

(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights of number of securities applicable to that Form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) Return both forms together in the same envelope.

5. Signing Instructions

You must sign this 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 securityholders 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 copy 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 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.

If a representative of a corporate Securityholder or proxy 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 or from www.securitytransfer.com.au under Forms.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting at 11.30 a.m. (WST) on Friday 28th November 2013. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged:

IN PERSON	Share registry – 770 Canning Highway Applecross WA 6153 Australia
BY MAIL	PO Box 2805, West Perth WA 6872 Australia
BY FAX	+61 8 9245 1088
BY EMAIL	admin@truscottmining.com.au