



Notice of extraordinary general meeting and explanatory memorandum

Altius Mining Limited

ACN 126 540 547

Date: Friday 15 August 2014

Time: 11.00 am (Melbourne time)

Place: Hayes Knight Melbourne Pty Ltd
Level 12, 31 Queen Street
Melbourne Victoria 3000

Important Notice: This extraordinary general meeting is being held by Altius Mining Limited, as requisitioned by the Requisitioning Shareholders, in accordance with section 249D(1) of the *Corporations Act 2001* (Cth). This notice of meeting and the explanatory memorandum should be read in its entirety. If shareholders of Altius Mining Limited are in doubt as to how to vote, they should seek advice from their legal, investment or other professional adviser.

**RESOLUTIONS 1A – 1E and 2A – 2D are
OPPOSED BY THE CURRENT DIRECTORS** (other
than a Director who is subject to the resolution to be
removed), who consider that **THOSE RESOLUTIONS
ARE NOT IN THE BEST INTERESTS OF ALTIUS OR
ALL SHAREHOLDERS**

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE is given that an Extraordinary General Meeting of shareholders of Altius Mining Limited ACN 126 540 547 (the **Company**) will be held at the offices of Hayes Knight Melbourne Pty Ltd at Level 12, 31 Queen Street, Melbourne Victoria 3000 on Friday, 15 August 2014 at 11.00 am (Melbourne time).

BUSINESS

Shareholders are invited to consider the following items of business at the Extraordinary General Meeting:

1. REMOVAL OF DIRECTORS

THE DIRECTORS RECOMMEND YOU VOTE AGAINST RESOLUTIONS 1A – 1E (INCLUSIVE)

Resolution 1A	Removal of Mr Xiao Jing Wang as Director
Description	The Requisitioning Shareholders seek the removal of Mr Xiao Jing Wang as a Director of the Company.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>THAT in accordance with section 203D of the Corporations Act, Mr Xiao Jing Wang be removed as a Director of the company with effect from the close of this meeting.</i>
Resolution 1B	Removal of Mr Edward McCormack as Director
Description	The Requisitioning Shareholders seek the removal of Mr Edward McCormack as a Director of the Company.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>THAT in accordance with section 203D of the Corporations Act, Mr Edward McCormack be removed as a Director of the company with effect from the close of this meeting.</i>
Resolution 1C	Removal of Ms Jia Yu as Director
Description	The Requisitioning Shareholders seek the removal of Ms Jia Yu as a Director of the Company.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>THAT in accordance with section 203D of the Corporations Act, Ms Jia Yu be removed as a Director of the company with effect from the close of this meeting.</i>
Resolution 1D	Removal of Mr John Zee as Director
Description	The Requisitioning Shareholders seek the removal of Mr John Zee as a Director of the Company.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>THAT in accordance with section 203D of the Corporations Act, Mr John Zee be removed as a Director of the company with effect from the close of this meeting.</i>
Resolution 1E	Removal of Mr Jianbing Zhang as Director
Description	The Requisitioning Shareholders seek the removal of Mr Jianbing Zhang as a Director of the Company.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>THAT in accordance with section 203D of the Corporations Act, Mr Jianbing Zhang be removed as a Director of the company with effect from the close of this meeting.</i>

2. ELECTION OF PROPOSED DIRECTORS

THE DIRECTORS RECOMMEND YOU VOTE AGAINST RESOLUTIONS 2A – 2D (INCLUSIVE)

Resolution 2A	Election of Mr Graham Libbesson as Director
Description	The Requisitioning Shareholders seek the appointment of Mr Graham Libbesson as a Director of the Company.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>THAT Mr Graham Libbesson, having consented to act, be elected a Director of the Company with effect from the close of this meeting.</i>

Resolution 2B	Election of Mr Warren Staude as Director
Description	The Requisitioning Shareholders seek the appointment of Mr Warren Staude as a Director of the Company.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>THAT Mr Warren Staude, having consented to act, be elected a Director of the Company with effect from the close of this meeting.</i>

Resolution 2C	Election of Mr Alexander King as Director
Description	The Requisitioning Shareholders seek the appointment of Mr Alexander King as a Director of the Company.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>THAT Mr Alexander King, having consented to act, be elected a Director of the Company with effect from the close of this meeting.</i>

Resolution 2D	Election of Mr Michael Fetter as Director
Description	The Requisitioning Shareholders seek the appointment of Mr Michael Fetter as a Director of the Company.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>THAT Mr Michael Fetter, having consented to act, be elected a Director of the Company with effect from the close of this meeting.</i>

3. RATIFICATION OF PRIOR ISSUES OF SHARES

Resolution 3A	Ratification of issue of First Placement Shares
Description	The Company seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for an issue of 84,339,700 Shares made by the Company under a placement on 18 June 2014.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>THAT for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 84,339,700 Shares to the First Placement Subscribers at an issue price of \$0.01 per Share on 18 June 2014 on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.</i>

Voting Exclusion	<p>The Company will disregard any votes cast on this resolution by the First Placement Subscribers and any of their associates. However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or; (b) the chair of the meeting as proxy for a person entitled to vote, in accordance with a direction on a proxy form to vote as the proxy decides.
Resolution 3B	Ratification of issue of Second Placement Shares
Description	The Company seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for an issue of 22,206,200 Shares made by the Company under a placement on 25 June 2014.
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>THAT for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 22,206,200 Shares to the Second Placement Subscribers at an issue price of \$0.01 per Share on 25 June 2014 on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast on this resolution by the Second Placement Subscribers and any of their associates. However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or; (b) the chair of the meeting as proxy for a person entitled to vote, in accordance with a direction on a proxy form to vote as the proxy decides.

4. APPROVAL OF PROPOSED ISSUE OF SHARES TO DIRECTOR

Resolution 4	Approval of issue of Proposed Placement Shares to Director
Description	Altius seeks approval of Shareholders to be able to issue 45,316,500 Proposed Placement Shares to a Director under the Proposed Placement, without using the Company's 15% placement capacity under ASX Listing Rule 7.1.
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>THAT for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 45,316,500 Proposed Placement Shares and to Mr Jianbing Zhang or his nominee(s), at an issue price of \$0.01 per Share, on such terms as more particularly described in the Explanatory Memorandum accompanying this Notice.</i></p>

Voting Exclusion	<p>The Company will disregard any votes cast on this resolution by:</p> <ul style="list-style-type: none"> (a) Mr Jianbing Zhang and his nominee(s); (b) any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this resolution is passed; and (c) any associates of the persons named in sub-paragraphs (a) and (b). <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (d) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (e) the chair of the meeting as proxy for a person entitled to vote, in accordance with a direction on a proxy form to vote as the proxy decides.
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5. CHANGE OF COMPANY NAME

Resolution 5	Change of Company Name
Description	<p>Altius seeks approval of Shareholders to change the name of the Company to Australia United Mining Limited.</p>
Resolution (Special)	<p>To consider and, if thought fit, pass the following resolution as an special resolution:</p> <p><i>THAT, in accordance with section 157(1) of the Corporations Act, and for all other purposes, the name of the Company be changed to 'Australia United Mining Limited', with effect from the day on which the Australian Securities and Investments Commission alters the details of the Company's registration.</i></p>

Dated 16 July 2014

BY ORDER OF THE BOARD OF ALTIUS MINING LIMITED



John Zee
Director and Company Secretary

VOTING INFORMATION

VOTING BY PROXY

- (a) A shareholder entitled to attend and vote at the Annual General Meeting may appoint one proxy or, if the shareholder is entitled to cast 2 or more votes at the meeting, 2 proxies, to attend and vote instead of the shareholder.
- (b) Where 2 proxies are appointed to attend and vote at the meeting, each proxy may be appointed to represent a specified proportion or number of the shareholder's voting rights at the meeting.
- (c) A proxy need not be a shareholder of the Company.
- (d) A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the full name or title of the individual representative of the body corporate for the meeting.
- (e) A proxy form accompanies this notice. If a shareholder wishes to appoint more than 1 proxy, they may make a copy of the proxy form attached to this notice. For the proxy form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power of authority **by 11.00am (Melbourne time) on Wednesday 13 August 2014:**
 - by post at GPO Box 242, Melbourne, Victoria 3001; or
 - by personal delivery at Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, 3067; or
 - by facsimile: Australia – 1800 783 447, overseas - +61 3 9473 2555; or
 - Custodian voting - For Intermediary Online subscribers only (custodians) please visit **www.intermediaryonline.com** to submit your voting intentions.

VOTING AND OTHER ENTITLEMENTS AT THE ANNUAL GENERAL MEETING

A determination has been made by the Board of the Company under regulation 7.11.37 of the *Corporations Regulations 2001* that shares in the Company which are on issue at **7.00pm (Melbourne time) on Wednesday 13 August 2014** will be taken to be held by the persons who held them at that time for the purposes of the annual general meeting (including determining voting entitlements at the meeting).

OTHER INFORMATION

WHY HAS THIS MEETING BEEN CALLED?

As announced by the Company to the ASX on 23 June 2014, the Company was served with a notice of requisition of meeting (**Requisition Notice**) pursuant to section 249D(1) of the *Corporations Act 2001* (Cth) (**Act**) by the

Requisitioning Shareholders, which hold more than 5% of the votes that may be cast at a general meeting of the Company.

SECTION 249D OF THE ACT

Under section 249D of the Act, the Directors must call and arrange to hold a general meeting on the request of members with at least 5% of the votes that may be cast at the general meeting.

PROPOSAL OF ADDITIONAL RESOLUTIONS

In order to avoid incurring additional costs of convening another extraordinary meeting, the Board seeks this opportunity to propose Resolutions 3 - 5 to shareholders at this Extraordinary General Meeting.

QUESTIONS

In order to provide an equal opportunity for all shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company. Please send your written questions via email to the Company Secretary at admin@ccounsel.com.au. Written questions must be received by no later than 5.00 pm on Friday, 8 August 2014.

Your questions should relate to matters that are relevant to the business of the Extraordinary General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum. A reasonable opportunity will also be provided to shareholders attending the Extraordinary General Meeting to ask questions of the Board, which the Chairman will seek to address to the extent reasonably practicable. However, there may not be sufficient time to answer all questions at the Extraordinary General Meeting. Please note that individual responses may not be sent to shareholders.

UNDIRECTED PROXIES

Mr John Zee will chair the Meeting and intends to vote all available undirected proxies against Resolutions 1A – 1E and Resolutions 2A – 2D, and in favour of Resolutions 3 – 5.

EXPLANATORY MEMORANDUM TO NOTICE OF EXTRAORDINARY GENERAL MEETING

Resolutions 1A – 1E And 2A – 2D	Removal of existing Directors and Election of new directors
<p>Explanation</p>	<p>Resolutions 1A – 1E concern the removal of all the current Board members (namely Xiao Jing Wang, Edward McCormack, Jia Yu, John Zee and Jianbing Zhang) as Directors of the Company.</p> <p>Resolutions 2A – 2D are in relation to the proposed election of four candidates as directors of the Company, namely Graham Libbesson, Warren Staude, Alexander King and Michael Fetter (Proposed Candidates).</p> <p>As disclosed by the Company to ASX, Altius was served with the Requisition Notice pursuant to section 249D of Act. The members that requisitioned this meeting are seeking to make changes to the Board of Altius through the proposed removal of all existing Board members, and the appointment of four new Board members.</p> <p>Resolutions 1A – 1E and 2A – 2D have been proposed in response to the Requisition Notice.</p> <p>Shareholders should note that each of <u>Resolutions 1A – 1E and 2A – 2D has been proposed by the Requisitioning Shareholders</u> and NOT by the Board.</p> <p>The costs of calling and holding the Extraordinary General Meeting are required to be met by the Company.</p>
<p>Board response to the Requisition Notice</p>	<p>Each of the Resolutions is OPPOSED BY THE CURRENT DIRECTORS who consider that the Resolutions are NOT IN THE BEST INTERESTS OF ATLIUS OR ALL SHAREHOLDERS for the reasons set out below.</p> <p>1. Lack of information regarding the intentions of the Proposed Candidates</p> <p>The Proposed Candidates have not notified the current Directors of their intentions or motivation. Further, the Requisitioning Shareholders have not informed Shareholders of their motivation in requisitioning this meeting to change the composition of the Board by the appointment of the Proposed Candidates, or to assist Shareholders in making an informed decision on the relevant resolutions or an assessment of the merits of appointing the Proposed Candidates.</p> <p>2. Lack of continuity if current Directors are removed</p> <p>The removal of all current Directors from the Board will necessarily have the effect of disrupting the Company's operations, at a volatile time when the current Directors are using their best endeavours to recapitalise the Company and generate value from its assets.</p> <p>The Directors have during their tenure acquired an acute understanding of the Company's operations, activities and forward strategies, and they</p>

	<p>collectively play a significant role in the management and oversight of the Company's activities. The current Directors are concerned that, in the event that Resolutions 1A – 1E and 2A – 2D are passed, the Proposed Candidates, if appointed, will necessarily have to focus their efforts and time on regaining continuity, regrouping and acclimatisation, thereby detracting from the significant task of recapitalising the Company and generating shareholder value.</p> <p>The current Directors emphasise that the Company is presently undergoing a volatile phase, and that losing traction at this time for reason of a Board reshuffle is likely to have a destabilising and damaging effect on the Company and subsequently its Share price.</p> <p>Information about Xiao Jing Wang, Edward McCormack, Jia Yu, John Zee and Jianbing Zhang is available in the Company's 2013 Annual Report.</p>
Board Recommendation	<p>The Directors, each of whom abstains from making a recommendation for the resolution in connection with his/her removal, recommend that shareholders VOTE AGAINST Resolutions 1A – 1E.</p> <p>The Directors are unanimously against the respective appointments of the Proposed Candidates, and recommend that shareholders VOTE AGAINST Resolutions 2A – 2D.</p>
Chairman's available proxies	<p>The Chairman of the Extraordinary General Meeting intends to vote all available proxies against Resolutions 1 and 2.</p>

Resolutions 3A – 3B	Ratification of previous issue of Shares
Explanation	<p>The Company seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for previous issues of securities made by the Company during the last 12 months under:</p> <ul style="list-style-type: none"> (a) the Company's capacity to issue Shares under ASX Listing Rule 7.1, which provides that a company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue shares during any 12 month period in excess of 15% of the number of shares on issue at the commencement of that 12 month period without Shareholder approval (7.1 Capacity); and (b) the Company's capacity to issue Shares under ASX Listing Rule 7.1A; as Shareholders will be aware, the Company sought and received Shareholder approval under ASX Listing Rule 7.1A at its 2013 Annual General Meeting to issue Shares of up to an additional 10% of its issued capital by way of placements over a 12 month period, in addition to its ability to issue securities under its 7.1 Capacity (7.1A Capacity). <p>ASX Listing Rule 7.4 sets out an exception to the limitations on the Company's capacity to issue securities pursuant to its 7.1 Capacity, by permitting the ratification of previous issues of securities which were not made under a prescribed exception under ASX Listing Rule 7.2 or with Shareholder approval, provided that such issues did not breach the Company's 7.1 Capacity. If shareholders of a company approve the ratification of such previous issues of securities at a general meeting, those shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.</p>

	<p>ASX Listing Rule 7.4 permits the ratification of previous issues of securities made under a company's 7.1 Capacity, as well as its 7.1A Capacity.</p> <p>Accordingly, if Shareholders ratify the previous issues of securities made by Altius by way of approving Resolutions 3A and 3B, such securities will be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rules 7.1 and 7.1A.</p>
Reason for Resolutions 3A and 3B	<p>The effect of the ratifications sought under Resolutions 3A and 3B in accordance with ASX Listing Rule 7.4 is:</p> <ul style="list-style-type: none"> (a) the reinstatement of the Company's maximum 7.1 Capacity; this will effectively enable the Company to issue further Shares of up to 15% of the issued capital of the Company, if required, in the next 12 months without requiring Shareholder approval; and (b) the reinstatement of the Company's maximum 7.1A Capacity; this will effectively enable the Company to issue further Shares of up to an additional 10% of the issued capital of the Company (to the extent permitted by and subject to the conditions prescribed by ASX Listing Rule 7.1A).
Voting Exclusions	<p>Voting exclusions apply to each of Resolutions 3A and 3B, as set out in the Notice.</p>
Board Recommendation	<p>The Directors believe that it is in the best interests of the Company that the Directors maintain their ability to issue up to 15% and 10% of the issued capital of the Company under ASX Listing Rules 7.1 and 7.1A respectively.</p> <p>Save for as otherwise expressly stated in this Notice, the Directors do not currently have any specific intention to make any further issue of Shares without approval of Shareholders under ASX Listing Rule 7.1 or 7.1A in the next 12 months, unless such issue falls under an exception prescribed by ASX Listing Rule 7.2.</p> <p>The Directors consider it to be appropriate and prudent for approval to be sought at the Extraordinary General Meeting, in respect of the relevant issues of securities made by the Company in the last 12 months. The Directors believe this approval will enhance the Company's flexibility to raise equity capital, should the Directors consider that it is in the best interests of the Company to do so.</p> <p>In particular, the Directors note that if this approval is not obtained at the Extraordinary General Meeting, the Company may be required to incur additional costs and delay of convening an extraordinary general meeting of the Company if the Directors propose to issue securities which do not fall under an exception to the 15% rule in ASX Listing Rule 7.2.</p> <p>On the basis of the foregoing, the Directors unanimously recommend that Shareholders vote in favour of Resolutions 3A and 3B.</p>
Chairman's available proxies	<p>The Chairman of the Extraordinary General Meeting intends to vote all available proxies in favour of Resolutions 3A and 3B.</p>

Specific information for Resolution 3A – Ratification of issue of First Placement Shares	
Explanation	<p>The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of Shares under the First Placement, under which 84,339,700 Shares were issued at an issue price of \$0.01 per Share on 18 June 2014. The First Placement Shares were issued to a number of sophisticated investors pursuant to Altius' 7.1 Capacity and 7.1A Capacity as follows:</p> <ul style="list-style-type: none"> ▪ 77,793,805 Shares under Altius' 7.1 Capacity; and ▪ 6,545,895 Shares under Altius' 7.1A Capacity. <p>The Company confirms that it was not in breach of ASX Listing Rules 7.1 and 7.1A at the time of the issue. However, the Company is now seeking that the issue of the First Placement Shares be treated as having been made with shareholder approval for the purposes of ASX Listing Rules 7.1 and 7.1A, pursuant to ASX Listing Rule 7.4.</p>
Effect of shareholder approval	<p>If shareholder approval is obtained under Resolution 3A, the issue of the First Placement Shares will be excluded from Altius' calculation of its 7.1 Capacity and 7.1A Capacity.</p>
Information required by ASX Listing Rule 7.5	<p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <ul style="list-style-type: none"> ▪ No. of shares issued – A total of 84,339,700 Shares, specifically: <ul style="list-style-type: none"> ○ 77,793,805 Shares under Altius' 7.1 Capacity; and ○ 6,545,895 Shares under Altius' 7.1A Capacity ▪ Issue price per share – \$0.01 per Share ▪ Terms of shares – Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company. ▪ Names of First Placement Subscribers – The Shares were issued under the First Placement to Messrs Xinhua Geng, Chao Ma and Yuwei Chen, who are new investors introduced to Altius by its advisers, none of which are related parties of the Company. ▪ Use of funds raised – The funds raised under the First Placement were applied to meet the Company's working capital requirements, and in particular to fund the Company's ongoing diamond drilling program at its Forsayth Project in Far North Queensland.
Specific information for Resolution 3B – Ratification of issue of Second Placement Shares	
Explanation	<p>The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of Shares under the Second Placement, under which 22,206,200 Shares were issued at an issue price of \$0.01 per Share on 25 June 2014. The Second Placement Shares were issued to two sophisticated investors pursuant to Altius' 7.1A Capacity.</p> <p>The Company confirms that it was not in breach of ASX Listing Rule 7.1A at the time of the issue. However, the Company is now seeking that the issue of the Second Placement Shares be treated as having been made with shareholder approval for the purposes of ASX Listing Rule 7.1A, pursuant to ASX Listing Rule 7.4.</p>

Effect of shareholder approval	If Shareholder approval is obtained under Resolution 3B, the issue of the Second Placement Shares will be excluded from Altius' calculation of its 7.1A Capacity.
Information required by ASX Listing Rule 7.5	<p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <ul style="list-style-type: none"> ▪ No. of shares issued – 22,206,200 ▪ Issue price per share – \$0.01 per Share ▪ Terms of shares – Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company. ▪ Names of Second Placement Subscribers – The Shares were issued under the Second Placement to Messrs Xinhua Geng and Chao Ma. ▪ Use of funds raised – The funds raised under the Second Placement were applied to meet the Company's working capital requirements, and in particular to fund the Company's ongoing diamond drilling program at its Forsayth Project in Far North Queensland.

Resolution 4	Approval of issue of Proposed Placement Shares to Director
Explanation	Altius seeks approval of Shareholders to be able to issue 45,316,500 Proposed Placement Shares to a Director, Mr Jianbing Zhang, or his nominee, under the Proposed Placement, without using the Company's 15% placement capacity under ASX Listing Rule 7.1. The Company will issue the Proposed Placement Shares at \$0.01 per Share, which represents a significant premium to the last traded price of Altius Shares on 14 July 2014 (which was \$0.004), and will raise \$453,165 from the placement.
Reason for Resolution 4	<p>ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval prior to the issue of securities to a related party of the company. As a Directors of Altius, Mr Jianbing Zhang is a related party of the Company and accordingly Resolution 4 seeks Shareholder approval required by ASX Listing Rule 10.11 to allow the issue of Placement Shares to him.</p> <p>If Shareholder approval is given for the purposes of Listing Rule 10.11, approval will not be required under ASX Listing Rule 7.1, and the Shares issued pursuant to Resolution 4 will not be included in the calculation of the Company's 7.1 Capacity.</p>
Specific information required by ASX Listing Rule 10.13	<p>In accordance with ASX Listing Rule 10.13, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 10.11, the following information is provided to shareholders:</p> <p>Maximum no. of securities to be issued 45,316,500 Shares</p>

	<p>Date by which securities will be issued</p> <p>If Shareholder approval is obtained for Resolution 4, the Company will issue the Shares as soon as is practicable after the Extraordinary General Meeting, or in any event no later than 1 month after the date of the Extraordinary General Meeting (or such longer period of time as ASX may in its discretion allow).</p> <p>Issue price per security</p> <p>The Shares will be issued at an issue price of \$0.01.</p> <p>Recipient of issue</p> <p>The Shares will be issued to Mr Jianbing Zhang or his nominee(s).</p> <p>Terms of securities</p> <p>The Shares are fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</p> <p>Use of funds raised</p> <p>The capital raised under the Proposed Placement will be applied to fund the Company's ongoing diamond drilling program at its Forsayth Project in Far North Queensland.</p> <p>Voting Exclusion Statement</p> <p>A voting exclusion statement applies to this item of business, as set out in the Notice.</p>
Board Recommendation	<p>Mr Jianbing Zhang, as the proposed recipient of the shares, declines to make a recommendation to Shareholders in relation to Resolution 4. The other Directors recommend that Shareholders vote in favour of Resolution 4 as they consider it to be in the interests of the Company to raise the capital it requires at a premium.</p> <p>The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to approve Resolution 4.</p>
Chairman's available proxies	<p>The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 4.</p>

Resolution 5	Change of company name
Explanation	<p>In accordance with section 157(1)(a) of the <i>Corporations Act</i>, if a company wants to change its name, its shareholders must pass a special resolution adopting the new name, that is, it must be passed by at least 75% of votes validly cast on the resolution by shareholders entitled to vote on it.</p> <p>The change of name from 'Altius Mining Limited' to 'Australia United Mining Limited' has been proposed as the Board believes that this name better reflects the nature and strategic direction of the Company.</p> <p>The change of name will take effect on the day that ASIC approves the change of name and does not affect the legal status of the Company. The Company will carry on as the same legal entity as before, and the change of name will not affect the Company's existing property, rights or obligations, or any rights or entitlements of Shareholders.</p>

Board Recommendation	The Board recommends that Shareholders vote in favour of Resolution 5.
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 5.

Definitions	
7.1 Capacity	Means the Company's capacity to issue Shares under ASX Listing Rule 7.1.
7.1A Capacity	Means the Company's capacity to issue Shares under ASX Listing Rule 7.1A.
Corporations Act	Means the <i>Corporations Act 2001</i> (Cth).
Company or Altius	Means Altius Mining Limited ACN 126 540 547.
Director	Means a director of the Company from time to time.
Explanatory Memorandum	Means this explanatory memorandum that is annexed to and forms part of the Notice.
Extraordinary General Meeting	Means the general meeting of the shareholders of the Company to which the Notice and this Explanatory Memorandum relates.
First Placement	Means the capital raising placement the subject of Resolution 3A, undertaken by the Company on 18 June 2014, under which the Company issued 84,339,700 Shares to the First Placement Subscribers at an issue price of \$0.01 per Share.
First Placement Subscribers	Means the recipients of the First Placement Shares, being Messrs Yuwei Chen, Xinhua Geng and Chao Ma.
Notice	Means this notice of Extraordinary General Meeting dated 16 July 2014.
Proposed Placement	Means the capital raising placement the subject of Resolution 4 which the Company proposes to undertake, under which the Company will issue 45,316,500 Shares at an issue price of \$0.01 per Share to Mr Jianbing Zhang or his nominee(s).
Resolution	Means a resolution set out in the Notice.
Requisition Notice	Means the notice of requisition of meeting (pursuant to section 249D(1) of the Act) served on the Company by the Requisitioning Shareholders.
Requisitioning Shareholders	Means the Shareholders who have requisitioned Resolutions 1A – 1E and 2A – 2D of this Extraordinary General Meeting. These Requisitioning Shareholders hold more than 5% of the votes that may be cast at a general meeting of the Company.
Second Placement	Means the capital raising placement the subject of Resolution 3B, undertaken by the Company on 25 June 2014, under which the Company issued 22,206,200 Shares to the Second Placement Subscribers at an issue price of \$0.01 per Share.
Second Placement Subscribers	Means the recipients of the Second Placement Shares, being Messrs Xinhua Geng and Chao Ma.
Share	Means a fully paid ordinary share in the capital of Altius.
Shareholder	Means a holder of a Share.

-ENDS-



— 000001 000 AYM
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form



**For your vote to be effective it must be received by
11:00am (Melbourne time) Wednesday, 13 August 2014**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com



Review your securityholding



Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Altius Mining Limited hereby appoint

☐ the Chairman of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

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, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Altius Mining Limited to be held at Hayes Knight Melbourne Pty Ltd, Level 12, 31 Queen Street, Melbourne VIC 3000 on Friday, 15 August 2014 at 11:00 am (Melbourne time) and at any adjournment or postponement of that meeting.

STEP 2

Items of Business

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

		For	Against	Abstain			For	Against	Abstain
Resolution 1A	Removal of Mr Xiao Jing Wang as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 3A	Ratification of issue of First Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 1B	Removal of Mr Edward McCormack as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 3B	Ratification of issue of Second Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 1C	Removal of Ms Jia Yu as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 4	Approval of issue of Proposed Placement Shares to Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution1D	Removal of Mr John Zee as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 5	Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 1E	Removal of Mr Jianbing Zhang as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 2A	Election of Mr Graham Libbesson as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 2B	Election of Mr Warren Staude as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution2C	Election of Mr Alexander King as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 2D	Election of Mr Michael Fetter as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

The Chairman of the Meeting intends to vote undirected proxies against Resolutions 1A - 1E and Resolutions 2A - 2D, and in favour of Resolutions 3 - 5.

SIGN

Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date