

# CAPITAL MINING LIMITED

ABN 69 104 551 171

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## NOTICE OF 2014 ANNUAL GENERAL MEETING

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**Date of Meeting**

Thursday 27 November 2014

**Time of Meeting**

10:30am (AEDT)

**Place of Meeting**

Level 4, 447 Kent Street, Sydney NSW 2000

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9481 0389.***

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## TIME AND PLACE OF MEETING AND HOW TO VOTE

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### VENUE

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The Annual General Meeting of the Shareholders of Capital Mining Limited, which this Notice of Annual General Meeting relates to will be held at 10:30am (AEDT) on 27 November 2014 at Level 4, 447 Kent Street, Sydney NSW 2000.

### YOUR VOTE IS IMPORTANT

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The business of the Annual General Meeting affects your shareholding and your vote is important.

### VOTING IN PERSON

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

### VOTING BY PROXY

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all 'directed' proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the question that the resolution be passed; and
- either of the following applies:
  - if a record of attendance is made for the meeting - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is hereby given that the 2014 Annual General Meeting of members of Capital Mining Limited (“**the Company**”) will be held at 10:30am (AEDT) on Thursday 27 November 2014 at Level 4, 447 Kent Street, Sydney NSW 2000.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00pm (AEDT) on Tuesday, 25 November 2014.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

## AGENDA

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### REPORTS AND ACCOUNTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2014, together with the declaration of the Directors, the directors’ report, the Remuneration Report and the auditor’s report.

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### RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the Company to adopt the Remuneration Report as contained in the Company’s annual financial report for the financial year ended 30 June 2014.”*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

#### Voting Prohibition Statement:

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

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

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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## RESOLUTION 2 – RE-ELECTION OF PETER TORNEY AS A DIRECTOR

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

*“That, for the purposes of clause 6.1 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Peter Torney, a Director of the Company, retires by rotation, and being eligible, is re-elected as a Director of the Company”*

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## RESOLUTION 3 – PLACEMENT OF SHARES

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

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares, when multiplied by the issue price, will raise \$2,000,000 on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of 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, 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.

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## RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES

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

*“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 97,340,907 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a 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.

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Further information in relation to these resolutions is set out in the Explanatory Notes below.

## PROXIES

To be effective, proxy forms must be received by the Company's share registry, Boardroom Pty Limited, at least 48 hours before the time for holding the meeting (i.e. not later than 10:30 am AEDT on Tuesday, 25 November 2014) or of any adjourned meeting, at the Company's Share Registry, being:

### Boardroom Pty Limited

**Hand delivery**  
Level 7,  
207 Kent Street  
Sydney NSW 2000

**By Mail**  
GPO Box 3993  
Sydney NSW 2001

**By Facsimile**  
(02) 9290 9655

A shareholder who is entitled to attend and vote at the meeting may appoint up to two proxies to attend and vote on behalf of that shareholder. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the appointment does not so specify, each proxy may exercise half of the votes. Proxies given by corporate shareholders must be executed in accordance with their constitutions, or signed by two directors, a director and the company secretary, a duly authorised officer or attorney.

DATED 21 October 2014

**By Order of the Board**



Elizabeth Hunt  
**Company Secretary**

**EXPLANATORY NOTES:**

These explanatory notes set out information in connection with the business to be considered at the Capital Mining Limited 2014 Annual General Meeting.

**Voting Restrictions**

In accordance with section 224 of the *Corporations Act* 2001, a vote in respect of the resolution will be disregarded by the Company if it is cast by or on behalf of a person who is named in the relevant resolution or an associate of that named person.

However, the Company need not disregard a vote if:

- it is cast by a person who is appointed by writing as proxy for a person who is entitled to vote and the written appointment specifies how the proxy is to vote; and
- the vote is not cast on behalf of the named person or an associate of the named person.

**Proxies**

A member entitled to attend this meeting and vote is entitled to appoint a proxy to attend and vote for the member at the meeting. A proxy need not be a member. If the member is entitled to cast two or more votes at the meeting the member may appoint two proxies and may specify the proportion or number of votes which each proxy is appointed to exercise. A form of proxy accompanies this Notice. If shareholders wish to appoint a proxy, they should read the directions on the proxy form carefully.

**Voting Entitlement**

The Company (as convenor of the meeting) has determined that a person's entitlement to vote at the meeting will be the entitlement of that person set out in the register of members as at 5.00 pm AEDT on Tuesday, 25 November 2014.

This means that any member registered at 7.00 pm AEDT on Tuesday, 25 November 2014 is entitled to attend and vote at the meeting.

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## EXPLANATORY STATEMENT

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### ORDINARY BUSINESS

The following items of ordinary business will be considered as Resolutions at the meeting:

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### FINANCIAL STATEMENTS AND REPORT

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2014 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.capitalmining.com.au](http://www.capitalmining.com.au).

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## 1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

### 1.1 General

The Remuneration Report is set out in the Directors' report in the Company's 2014 Annual Report. It is also available on the Company's website at [www.capitalmining.com.au](http://www.capitalmining.com.au)

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

Section 250R(2) of the *Corporations Act* 2001 requires that at a listed company's annual general meeting, a resolution to adopt the Remuneration Report be put to the vote of the members of the Company. The vote on Resolution 1 is advisory only and is not binding on the Company or its Directors. The Chair of the meeting must give the members a reasonable opportunity to ask questions or make comments concerning the Remuneration Report during the Meeting.

### 1.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

### 1.3 Previous voting results

At the Company's 2013 annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

### 1.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

***If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy***

***You must direct your proxy how to vote on this Resolution.*** Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

***If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member)***

You **do not** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, ***you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.***

***If you appoint any other person as your proxy***

You **do not** need to direct your proxy how to vote on this Resolution, and you **do not** need to mark any further acknowledgement on the Proxy Form.

### 1.5 Directors' recommendation

The Directors recommend that shareholders vote in favour of Resolution 1.

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## 2. RESOLUTION 2 – RE-ELECTION OF PETER TORNEY AS A DIRECTOR

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 year, whichever is the longer.

Clause 6.1 of the Company's Constitution provides that at the annual general meeting in every year, one-third of the Directors, for the time being, or if their number is not 3 or a multiple of 3, then the number nearest to but not exceeding one-third, must retire from office but no Director may retain office for more than 3 years without submitting himself or herself for re-election even though the submission results in more than one-third of the Directors retiring from office.

The Directors to retire at an annual general meeting are those who have been longest in office since their election. As between persons who became Directors on the same day, those to retire are determined by drawing lots unless they otherwise agree among themselves.

A Director who retires by rotation under clause 11.6 of the Constitution is eligible for re-election.



In determining the number of Directors to retire, no account is to be taken of:

- (a) a Director who only holds office until the next annual general meeting pursuant to clause 9.2 of the Constitution; and/ or
- (b) a Managing Director,

each of whom are exempt from retirement by rotation. However, if more than one Managing Director has been appointed by the Directors, only the one appointed first is entitled to be excluded from any determination of the number of Directors to retire and/or retirement by rotation.

The Company currently has 3 Directors, of which two were appointed pursuant to clause 9.2 of the Constitution, and accordingly one must retire.

Pursuant to Resolution 2, Mr Peter Torney retires by rotation and being eligible for re-election, offers himself for re-election at the Meeting.

Details on Mr Torney can be found in the 2014 Annual Report.

The Directors, with Mr Peter Torney abstaining, recommend that Shareholders vote in favour of Resolution 2.

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### **3. RESOLUTION 3 – PLACEMENT OF SHARES**

Resolution 3 seeks Shareholder approval for the issue of up to that number of Shares that, when multiplied by the issue price, will raise up to \$2,000,000 ('Placement').

The effect of Resolution 3 will be to allow the Company to issue the Shares pursuant to the Placement during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% placement capacity.

#### **3.1 ASX Listing Rule 7.1**

ASX Listing Rule 7.1 provides that (subject to certain exceptions (none of which is relevant here) prior approval of Shareholders is required for an issue of equity securities if those securities will, when aggregated with the equity securities issued by the Company during the previous 12 months without prior Shareholder approval or an exception to obtaining prior Shareholder approval, exceed 15% of the number of Shares on issue at the commencement of that 12 month period.

For the purposes of ASX Listing Rule 7.3, the following information is provided in relation to Resolution 3 to allow Shareholders to assess the proposed Placement;

- (a) the maximum number of Shares to be issued is up to that number of Shares which, when multiplied by the issue price, equals \$2,000,000;
- (b) the Shares the subject of Resolution 4 will be issued no later than three (3) months after the date of this Meeting or such later date as approved by ASX and it is intended that the issue of Shares will occur progressively;
- (c) the issue price of the Shares will be at least 80% of the average market price of the Shares calculated over the last 5 days on which sales in the Shares are recorded before the date on which the issue is made, or, if there is a prospectus, over the last 5 days on which sales in the Shares are recorded before the date the prospectus is signed;
- (d) the subscribers in respect of Resolution 3 are not, as yet, identifiable, but will be subscribers to be identified by the Company and any brokers appointed by the

Company to manage the issue. No subscriber will be a related party of the Company;

- (e) the Shares to be issued will rank pari-passu on issue with the existing fully paid ordinary Shares of the Company;
- (f) the Company intends to use the funds raised by the Placement, for general working capital purposes, current and potential projects, business development purposes, acquisition of new projects and consultancy fees.

### **3.2 Directors' Recommendation**

None of the Directors has a material personal interest in the subject matter of Resolution 3. The Board recommends Shareholders vote in favour of Resolution 3 as it will enable the Company to fund its ongoing commitments.

### **3.3 Directors' Recommendation**

The Directors recommend that Shareholders vote in favour of Resolution 3 as it will enable the Company to fund its ongoing commitments.

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## **4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES**

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of issue of 97,340,907 Shares on the terms set out below ('Ratification').

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **4.1 ASX Listing Rule 7.4**

Under Chapter 7 of the ASX Listing Rules, there are limitations on the capacity of a company to enlarge its capital by the issue of equity securities.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than then amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Approval is sought under Resolution 4 to allow the Company to ratify the issue of the 97,340,907 Shares issued on 19 September 2014 and not previously approved by Shareholders pursuant to ASX Listing Rule 7.4. The reason for an approval under ASX Listing Rule 7.4 is to reinstate the Company's capacity to issue up to 15% of its issued Shares without the approval of its Shareholders in any 12 month period.

The following information is provided to Shareholders for the purposes of obtaining Shareholder approval of the share issue, the subject of Resolution 4 in accordance with ASX Listing Rule 7.5:

- (a) the number of securities issued by the Company was 97,340,907 Shares;
- (b) those Shares were issued and allotted on 19 September 2014;
- (c) the Shares were issued at a deemed issue price of \$0.006 each;

- (d) the issued Shares are fully paid ordinary shares and rank equally with the existing Shares on issue ;
- (e) the recipient of the Shares were various consultants and private subscribers none of which are a related party of the Company; and
- (f) \$265,010 in cash was raised via the issue of the Shares and the balance of \$319,035 was issued to extinguish debts. The cash has been used to pay various creditors.

#### **4.2 Directors' Recommendation**

None of the Directors has a material personal interest in the subject matter of Resolution 4. The Board believes that the ratification of the Share and Placement Option issue the subject of Resolution 4 is beneficial for the Company. The Board recommends Shareholders vote in favour of Resolution 4 as it provides the Company with the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months without shareholder approval.

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## GLOSSARY

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In this Notice of Meeting, the following terms have the following meaning unless the context otherwise requires:

**2014 Annual Report** means the Company's annual report for the financial year ended 30 June 2014, which can be downloaded from the Company's website at [www.capitalmining.com.au](http://www.capitalmining.com.au).

**AEDT** means Australian Eastern Daylight Time, as observed in Sydney, New South Wales.

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice.

**ASIC** means Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**ASX Listing Rules** or **Listing Rules** means the official Listing Rules of ASX.

**Board** means the current 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.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** or **Capital Mining** means Capital Mining Limited (ABN 69 104 551 171).

**Constitution** means the Company's constitution.

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

**Directors** mean the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying this Notice.

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or

otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Notice or Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means that section of the Directors' Report under the heading "Remuneration Report" set out in the 2014 Annual Report.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**VWAP** means the volume weighted average price of the Shares.



#### All Correspondence to:

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia

Level 7, 207 Kent Street,  
Sydney NSW 2000 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:30am (AEDT) on Tuesday, 25 November 2014.**

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

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

#### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the 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.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the 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 securities are to be voted on any item by inserting the percentage or number that 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 for all your securities your vote on that item will be invalid.

#### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

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

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:30am (AEDT) on Tuesday, 25 November 2014.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia

👤 **In Person** Level 7, 207 Kent Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐

**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Capital Mining Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Level 4, 447 Kent Street, Sydney NSW 2000 on Thursday, 27 November 2014 at 10:30am (AEDT)** and at any adjournment of that meeting, to act 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.

**Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters:** If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 connected with the remuneration of a member of the key management personnel for the Company.

**The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1).** If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

**STEP 2 VOTING DIRECTIONS**

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

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Peter Torney as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 SIGNATURE OF SHAREHOLDERS**

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2014