

NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM

GENERAL MEETING TO BE HELD AT GRANT THORNTON,
LEVEL 17, 383 KENT STREET, SYDNEY, NSW 2000
ON FRIDAY, 11 SEPTEMBER 2009, 11.00AM EST

A PROXY FORM IS ENCLOSED

IMPORTANT NOTICE: This Notice of General Meeting and Explanatory Memorandum require your immediate attention. It should be read in its entirety. If you are in doubt as to the course of action you should take and how you should vote, you should seek advice from your accountant, solicitor or other professional adviser without delay.

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Shareholders of Monaro Mining NL ("Monaro" or "the Company") will be held at Grant Thornton, Level 17, 383 Kent Street, Sydney NSW 2000 on Friday, 11 September 2009, at 11.00am EST.

The Explanatory Memorandum that accompanies and forms part of this Notice of General Meeting sets out the background information on the various matters to be considered. This Notice of General Meeting and Explanatory Memorandum should be read in their entirety.

AGENDA

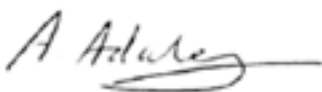
ORDINARY BUSINESS

1. Refresh capacity to issue shares, following issue of ordinary shares

To consider and, if thought fit, to pass the following resolution for a share placement made during the year as an ordinary resolution:

'That the issue of 12,439,726 fully paid ordinary shares in the capital of the Company to unrelated parties at an issue price of 8.5 cents per share in June 2009 be ratified and approved for all purposes, including the purpose of ASX Listing Rule 7.4.'

By order of the Board



ANNE ADALEY
Company Secretary
10 August 2009

VOTING ENTITLEMENT

Pursuant to regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that the shareholding of each Shareholder for the purposes of ascertaining the voting entitlements for the General Meeting will be as it appears in the Share Register at 11.00 am EST on Wednesday, 9 September 2009.

PROXIES

A Shareholder entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies to attend and vote at the General Meeting. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes. A proxy may, but need not be, a Shareholder of Monaro.

Appointment of a proxy by a Shareholder who is a corporation must be executed in accordance with section 127 of the Corporations Act.

A Proxy Form accompanies this Notice of General Meeting.

To be effective, the completed proxy form together with the power of attorney (if any) under which it is signed, must be received at the Company's corporate registry, Registries Limited, at one of the addresses or the facsimile number below no later than 48 hours before the commencement of the meeting:

In Person: Level 7, 207 Kent Street, Sydney NSW 2000

By Mail: GPO Box 3993 Sydney NSW 2001

By Facsimile: +61 2 9290 9655

Any proxy form received later than 48 hours before the commencement of the meeting will not be valid for the meeting.

EXPLANATORY MEMORANDUM

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in relation to the business to be conducted at the General Meeting to be held at Grant Thornton, Level 17, 383 Kent Street, Sydney NSW 2000 on Friday, 11 September at 11.00 am EST.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting. This Explanatory Memorandum is to provide Shareholders with information that is reasonably required by them to decide how to vote upon the resolution.

RESOLUTION 1: SHARE PLACEMENT

Listing Rule 7.1 limits the number of equity securities that the Company may issue during any 12 month period without shareholder approval. **Listing Rule 7.4** provides that an issue of shares made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 where:

- (a) the issue did not breach Listing Rule 7.1; and
- (b) the Shareholders subsequently approve it.

This resolution has been proposed so that Shareholders may consider and, if thought fit, formally approve for all purposes, including the purpose of Listing Rule 7.4 (as described above), the placement by the Company in June 2009 of 12,439,726 fully paid ordinary shares at 8.5 cents per share in the Capital of the Company that rank equally with, and have identical rights to, ordinary shares currently on issue. This placement was made for the continued development of the Company's assets and in particular, to further advance the Apex-Lowboy and the Rio Puerco projects in the USA. The funds will also allow for the retention of a number of other USA claims and to further advance its exploration programs in the USA and Australia.

The allottees were determined on the basis that they qualified as sophisticated investors pursuant to section 708 of the Corporations Act 2001 and were clients of Azure Capital Pty Ltd.

The placement has already taken place, within the 15% limit prescribed by Listing Rule 7.1. Shareholder approval of the placement is sought in accordance with Listing Rule 7.4.

Voting Exclusion Statement

The Company will disregard any votes cast on **Resolution 1** by any clients of Azure Capital Pty Ltd who participated in the issue or any of their associates. However, the Company will 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.

If Resolution 1 is not passed

The Company was not required, under Listing Rule 7.1, to seek member approval prior to the issue of shares described in Resolution 1.

If Shareholders do not approve Resolution 1, it will not invalidate the placement. However, the issue of shares absorbed the 15% limit and so reduced the Company's ability to issue further equity securities in the 12 month period subsequent to the issue, unless member approval is obtained for the issue or the issue falls within another exception in the Listing Rules. The Company is currently unable to issue any new securities until 25 October 2009 unless the issue falls within another exception in the Listing Rules.

GLOSSARY OF TERMS

In this Explanatory Memorandum the following expressions have the following meanings:

"ASIC" means the Australian Securities and Investments Commission.

"ASX" means ASX Ltd as operator of the Australian Securities Exchange.

"Company" means Monaro Mining NL
ACN 073 155 781.

"Directors" means the directors of the Company from time to time.

"Listing Rules" means the listing rules of ASX.

"Meeting" means the general meeting of Shareholders of the Company convened by this Notice.

"Notice" or **"Notice of Meeting"** means the notice of general meeting which accompanies this Information Memorandum.

"Resolution" means a resolution referred to in the Notice of Meeting.

FOR ALL ENQUIRIES CALL:
(within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

FACSIMILE
+61 2 9290 9655

ALL CORRESPONDENCE TO:
Registries Limited
GPO Box 3993
Sydney NSW 2001
Australia



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 on the form. Securityholders sponsored by a broker should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 11.00AM
WEDNESDAY 9th SEPTEMBER 2009

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy
If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman 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 Chairman 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.

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 provide an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the Company's securities registry.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning 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

You can tell your Proxy how to vote

To direct your proxy how to vote, place a mark in 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 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.

STEP 3 Sign the Form

The form **must** be signed

In the spaces provided you must sign this form 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 must 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 must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the Meeting at 11.00am on Friday, 11 September 2009. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxies may be lodged using the reply paid envelope or:

BY MAIL - Share Registry – Registries Limited, GPO Box 3993, Sydney NSW 2001 Australia

BY FAX - + 61 2 9290 9655

IN PERSON - Share Registry – Registries Limited, Level 7, 207 Kent Street, Sydney NSW 2000 Australia

Ace Investment Trust Ltd
105 Woburn Road
LOWER HUTT
NEW ZEALAND



STEP 1 - Appointment of Proxy

I/We being a member/s of **Monaro Mining NL** 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 at the **General Meeting of Monaro Mining NL to be held on Friday the 11th of September 2009 at 11.00am** 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.

If the Chairman 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 in respect of a resolution, please mark this box. By marking this box, you acknowledge that the Chairman of the Meeting may vote as your proxy even if he has an interest in the outcome of the resolution and votes cast by the Chairman 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 Chairman of the Meeting 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. The Chairman intends to vote all undirected proxies in favour of the resolution.

STEP 2 - Voting directions to your Proxy – please mark to indicate your directions

Ordinary Business

Resolution 1 Refresh capacity to issue shares, following issue of ordinary shares

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to the intentions advised above. The Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of business.

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

STEP 3 - PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf 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 /