

ASX ANNOUNCEMENT



RELEASE DATE: 3 June 2010

TO: **Manager Companies**
Australian Securities Exchange
Company Announcements Office

CONTACT: **Trevor Harris (08 9 322 8393)**

RE: **Notice of Meeting**

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Shield Mining Limited
ACN 108 267 063

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West Perth, WA 6005
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Dear Sir/ Madam

Please see attached Shield's Notice of Meeting despatched to shareholders today. The General Meeting is to be held at 1000hrs Western Standard Time on Tuesday 6 July 2010, at BDO Kendalls in 38 Station Street, Subiaco.

CONTACT:
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Chief Executive Officer/Managing Director
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**NOTICE OF GENERAL MEETING
PROXY FORM
AND
EXPLANATORY MEMORANDUM**

Date of Meeting
6 July 2010

Time of Meeting
10.00 am WST

Place of Meeting
BDO Kendalls
38 Station Street
Subiaco

Please read this Notice of General Meeting and Explanatory Memorandum carefully. If you are unable to attend the General Meeting, please complete and return the enclosed Proxy Form in accordance with the specified directions.

SHIELD MINING LIMITED

ACN 108 267 063

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of shareholders of Shield Mining Ltd ACN 108 267 063 ("**Company**") will be held at BDO Kendalls, 38 Station Street, Subiaco, Western Australia on **6 July 2010** at **10.00 am** Western Standard Time, for the purpose of transacting the following business referred to in this Notice of General Meeting.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of General Meeting.

AGENDA

Resolution 1 – Ratification of Placement – May 2010 – Tranche 1

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

"That, pursuant to and in accordance with Listing Rule 7.4 of the Listing Rules of the ASX Limited, the Company ratifies the allotment and issue of 10,983,520 fully paid ordinary shares in the capital of the Company at an issue price of 15 cents each on 16 June 2010 to the persons noted in the Explanatory Memorandum accompanying this Notice of Meeting."

<p>The Company will in accordance with the Listing Rules of the ASX, disregard any votes cast on Resolution 1 by persons who participated in the issue the subject of resolution 1 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.</p>

Resolution 2 – Approval of Placement – Tranche 2

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

"That, pursuant to and in accordance with Listing Rule 7.1 of the Listing Rules of the ASX Limited, the Company approves and authorises the Company to allot and issue 11,582,045 fully paid ordinary shares in the capital of the Company at an issue price of 15 cents each to the persons noted in the Explanatory Memorandum accompanying this Notice of Meeting."

The Company will in accordance with the Listing Rules of the ASX, disregard any votes cast on Resolution 2 by persons who will participate in the issue the subject of Resolution 2 and a 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 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.

Other Business

To deal with any other business which may be brought forward in accordance with the Company's constitution and the Corporations Act.

By Order of the Board of
Shield Mining Limited



Trevor Harris
Company Secretary

Dated: **4 June 2010**

PROXIES

- Votes at the general meeting may be given personally or by proxy or attorney, or in the case of a corporate shareholders, by appointing a corporate representative.
- A shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies to attend and vote at this meeting. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights and if no such specification is made, the proportion or number of the shareholder's votes each proxy may exercise will be divided equally among the proxies. A proxy may be either an individual or a body corporate.
- A proxy may but need not be a shareholder of the Company.
- The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, either under seal or under hand of an officer or his attorney duly authorised.
- The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and reach the Registered Office of the Company (by hand, mail or facsimile) by 10.00 am 4 July 2010. For the convenience of shareholders a Proxy Form is enclosed. Proxies lodged after this time will be invalid.
- Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the General Meeting.

For the purposes of section 1074E(2) of the Corporations Act 2001 and regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding ordinary shares at 10.00 am, 4 July 2010 will be entitled to attend and vote at the General Meeting.

Please see the Proxy Form for further instructions.

Corporations

A corporation may elect to appoint a representative in accordance with section 250 of the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with, or presented to the Company before the meeting.

SHIELD MINING LIMITED
ACN 108 267 063
PROXY FORM

The Company Secretary
Shield Mining Ltd
Registered Office Address: 680 Murray Street
WEST PERTH WA 6005
Facsimile: (08) 9322 5444

I/We (name of shareholder)
of (address)
being a member/members of Shield Mining HEREBY APPOINT
(name)
of (address)
and/or failing him (name)
of (address)

or failing that person/s, or if no person's named above, then the Chairman of the General Meeting as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held at BDO Kendalls, 36 Station Street, Subiaco, Western Australia on **6 July 2010 at 10.00 am** Western Standard Time and at any adjournment of the meeting.

Should you so desire to direct the Proxy how to vote, you should place a cross in the appropriate box(es) below:

I/We direct my/our Proxy to vote in the following manner:

	For	Against	Abstain
Resolution 1 – Ratification of Placement – May 2010 – Tranche 1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Approval of Placement – Tranche 2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you mark the Abstain box for a particular Resolution, 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.

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. If you do not wish to direct your proxy how to vote, please place a mark in the box.

This Proxy is appointed to represent ___ % of my voting right, or if 2 proxies are appointed Proxy 1 represents ___% and Proxy 2 represents ___% of my total votes
My total voting right is ___ shares

If the shareholder(s) is an individual:

Name: _____

If the shareholder is a company:

Affix common seal (if required by Constitution)

Director/Sole Director and Secretary

Director/Secretary

Dated: 2010

Contact Name: _____

Contact Number: _____

INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed under either the common seal of the corporation or under the hand of an officer of the company or its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by at least one of the joint shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this General Meeting, by hand, post or facsimile to the respective addresses stipulated in this proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
 - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way;
 - (b) 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;
 - (c) if the proxy is Chairperson, the proxy must vote on a poll and must vote that way; and
 - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.

7. The Chairman intends to vote in favour of all resolutions in relation to undirected proxies.

SHIELD MINING LIMITED

ACN 108 267 063

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders of Shield Mining Limited ("**Company**") in connection with the business to be transacted at the General Meeting of shareholders of the Company to be held at BDO Kendalls, 36 Station Street, Subiaco, Western Australia on **6 July 2010** at **10.00 am** Western Standard Time.

The Directors recommend shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Placement

On 31 May 2010, the Company announced that it had completed a placement of 22,565,565 Shares to sophisticated and institutional investors at an issue price of \$0.15 per Share to raise \$3,384,835 (before issue related costs). Due to regulatory requirements, the placement will be undertaken in two tranches as follows:

Tranche 1 – unconditional

A total of 10,983,520 Shares are due to be issued on 16 June 2010 at 15 cents per Share to raise \$1,647,528. This issue will be completed utilising the Company's 15% capacity under the Listing Rules; and

Tranche 2 – conditional

Subject to shareholder approval, a total of 11,582,045 Shares will be issued at 15 cents per Share, raising a total of \$1,737,307.

The funds raised from the Tranche 1 and Tranche 2 placement will be applied primarily to further the Company's current gold exploration programmes on its properties in Mauritania and for working capital purposes.

Resolution 1

Listing Rule 7.4

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 issue of the Shares the subject of Resolution 1 did not breach the 15% threshold set by Listing Rule 7.1. The effect of such a ratification is to restore a company's maximum discretionary power to issue further shares up to 15% of the issued capital of the company without requiring shareholder approval.

Resolution 1 has been included so that shareholders may approve and ratify pursuant to Listing Rule 7.4 the allotment and issue on 16 June 2010 of 10,983,520 Shares to raise \$1,647,528 to institutional and sophisticated investors in order to restore the right of the Company to issue further Shares within the 15% limit during the next 12 months.

The following information in relation to the Shares is provided to shareholders for the purposes of Listing Rule 7.5:

- (a) 10,983,520 Shares were allotted and issued;
- (b) the Shares were issued at an issue price of 15 cents each;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary shares on issue;
- (d) the Shares were issued to sophisticated and institutional investors who were unrelated parties of the Company; and
- (e) funds raised from the issue were used to further the Company's current gold exploration programmes on its properties in Mauritania and for working capital purposes.

Resolution 2

Listing Rule 7.1

Listing Rule 7.1 provides that a listed company may not issue securities in any 12 month period where the total number of securities to be issued exceeds 15% of the number of fully paid ordinary securities on issue 12 months before the date of issue, except with the prior approval of members of the company in general meeting of the terms and conditions of the proposed issue or where the issue is pro rata to all shareholders in accordance with their existing shareholdings.

Resolution 2 has been included so that shareholders may approve pursuant to Listing Rule 7.1 the issue of 11,582,045 Shares at an issue price of 15 cents per Share to raise a total of \$1,737,307.

For the purposes of Listing Rule 7.3, the following information is provided to allow shareholders to assess the proposed issue of 11,582,045 Shares as contemplated by Resolution 2:

- (a) the maximum number of Shares to be issued is 11,582,045 Shares;
- (b) the Shares the subject of Resolution 2 will be issued and allotted on one date and no later than (3) months after the date of this General Meeting or such later date as approved by ASX;
- (c) the Shares will be issued at 15 cents per Share to raise a total of \$1,737,307;
- (d) the allottees will be institutional and sophisticated investors, none of whom are related parties of the Company;
- (e) the terms of the fully paid ordinary shares to be issued are the same as the existing ordinary shares on issue and, accordingly, rank equally in all respects with the existing ordinary shares on issue; and
- (f) funds raised from the issue will be used to further the Company's current gold exploration programmes on its properties in Mauritania and for working capital purposes.

GLOSSARY

"**ASX**" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"**Company**" means Shield Mining Ltd ACN 108 267 063;

"**Corporations Act**" means Corporations Act 2001 (Cth);

"**Director**" means a director of the Company;

"**Listing Rules**" means the Listing Rules of the ASX;

"**Notice**" means the notice of meeting accompanying this Explanatory Memorandum;

"**Shares**" means fully paid ordinary shares in the Company.