

ARGENTINA MINING LIMITED

ACN 141 940 230

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

TIME: 10.00am (WST)

DATE: Monday, 16 December 2013

PLACE: The Celtic Club, 48 Ord Street
West Perth, Western Australia 6005

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.

If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss the matters in this Notice of Annual General Meeting please do not hesitate to contact the Company Secretary on +61 8 9204 2433.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at **10.00am (WST) on Monday, 16 December 2013** at:

**The Celtic Club, 48 Ord Street
West Perth, Western Australia 6005**

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return:

- In person or by post to: Suite 6, 25 Walters Drive
Herdsman Business Park
Osborne Park, WA 6017
- By facsimile to: + 61 8 9244 7273
- By scan and email to: info@argentinamining.com.au

Please note that the Proxy Form must be received by the Company not later than **10.00am (WST) on Saturday, 14 December 2013**.

Proxy Forms received later than this time will be invalid.

ENTITLEMENT TO ATTEND AND VOTE

The Company may specify a time, not more than 48 hours before the Meeting, at which a “snap-shot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Annual General Meeting.

The Company’s Directors have determined that all Shares of the Company that are quoted on ASX at **4.00pm (WST) on Saturday, 14 December 2013** shall, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the Shares at that time.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting of the Shareholders of Argentina Mining Limited (the **Company**) will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia 6005 on Monday, 16 December 2013 commencing at 10.00am WST to consider, and if thought fit, to pass the Resolutions set out below.

Terms used in this Notice of Annual General Meeting and accompanying Explanatory Statement are defined in the glossary to this document.

The Explanatory Statement which accompanies and forms part of this Notice of Annual General Meeting describes the matters to be considered at the Annual General Meeting.

ORDINARY BUSINESS

1. FINANCIAL STATEMENTS AND REPORTS – PERIOD 1 JULY 2012 – 30 JUNE 2013

To receive and consider the annual financial statements, the directors' report and the audit report of the Company for the year ended 30 June 2013.

Note: there is no requirement for Shareholders to approve these reports.

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

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

“That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the annual remuneration report as set out in the directors' report for the financial year ended 30 June 2013.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 1 by any member of the Key Management Personnel of the Company whose remuneration is included in the remuneration report, or a closely related party of such member. However, the Company will not disregard any votes cast on Resolution 1 by such person if:

- (a) the person is acting as proxy and the Proxy Form specifies how the proxy is to vote on the Resolution, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chairman of the Meeting voting an undirected proxy and their appointment expressly authorises the Chairman to exercise the proxy even though Resolution 1 is connected with the remuneration of the Key Management Personnel of the Company.

If you are a member of the Key Management Personnel of the Company or a closely related party of such person (or are acting on behalf of any such person) and purport to cast a vote (other than as a proxy as permitted in the manner set out above), that vote will be disregarded by the Company (as indicated above) and you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

3. RESOLUTION 2 – RE-ELECTION OF DOUGLAS VINCENT BRIGHT AS A DIRECTOR

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

“That, Mr Douglas Vincent Bright, being a Director of the Company, who retires by rotation in accordance with Listing Rule 14.5 and clause 11.3 of the Company's Constitution, and being eligible, offers himself for re-election as a Director of the Company.”

4. RESOLUTION 3 – APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY

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

“That, for the purpose of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, for the purpose and on the terms set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 3 by any person who may participate in the issue of Equity Securities under the Additional 10% Placement Facility 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 person associated with those persons. However, the Company will not disregard any votes cast on Resolution 3 by such person if:

- (a) the person is acting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person is the Chairman of the Meeting acting 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.

Important note: The persons to whom any Equity Securities under the Additional 10% Placement Facility may be issued to are not as yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person’s vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the Additional 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

SPECIAL BUSINESS

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES – MARCH 2013 PLACEMENT

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 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 14,441,993 Shares at an issue price of \$0.035 per Share to professional and sophisticated investors on the terms set out in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast on this Resolution by any person who participated in the issue if the Resolution is passed and any person associated with that person. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman of the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 5 – APPROVAL OF ISSUE OF SHARES - PLACEMENT

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, Shareholders approve the issue of up to 22,500,000 Shares at \$0.01 each to raise \$225,000, to investors under section 708 of the Corporations Act 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 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 person associated with that person. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman of the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 6 – CHANGE TO ACTIVITIES

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 11.1.2 and for all other purposes, Shareholders approve the change in the scale of its activities as a result of the Merger, on the terms set out in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast on this Resolution by 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 person associated with that person. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman of the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 7 – APPROVAL OF ISSUE OF SHARES TO THE VENDORS

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, Shareholders approve the issue of 77,420,190 Shares by the Company to the Vendors as consideration for the acquisition of 38,710,095 Simba Shares, pursuant to the Merger.”

Voting exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the 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 person associated with that person. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman of the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 8 – APPROVAL OF ISSUE OF SHARES TO EQUITY WEST

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, Shareholders approve the issue of Shares up to a maximum value of \$2,500 (issued at the five trading day Share VWAP) to be issued to Equity West each month for 12 months after Completion, in consideration of Equity West providing investor relations services to the Company.”

Voting exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the 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 person associated with that person. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman of the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. RESOLUTION 9 – ELECTION OF JOHN STOCKLEY AS A DIRECTOR

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

“That Mr John Stockley, who in accordance with clause 11.10 of the Company’s Constitution, and being eligible, offers himself for election as a Director of the Company with effect on Completion of the Merger.”

11. RESOLUTION 10 – ELECTION OF ALLEN LAFFERTY AS A DIRECTOR

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

“That Mr Allen Lafferty, who in accordance with clause 11.10 of the Company’s Constitution, and being eligible, offers himself for election as a Director of the Company with effect on Completion of the Merger.”

12. RESOLUTION 11 – APPROVAL OF SECURITIES ISSUE – CAPITAL RAISING

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, Shareholders approve the issue of Shares of up to \$1,000,000 in value (to be issued at no less than the 80% of the five trading day VWAP) pursuant to a capital raising 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 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 person associated with that person. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman of the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

EXPLANATORY STATEMENT

The Explanatory Statement accompanying this Notice of Meeting is incorporated in and comprises part of this Notice of Meeting.

Shareholders are specifically referred to the glossary in the Explanatory Statement which contains definitions of capitalised terms used both in this Notice of Meeting and the Explanatory Statement.

PROXIES

Please note that:

- (a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

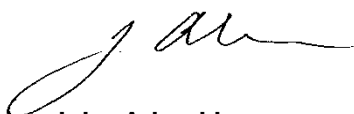
CORPORATE REPRESENTATIVE

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative. An appointment of corporate representative form is enclosed if required.

ENQUIRIES

Shareholders are invited to contact the Company Secretary on +61 8 9204 2433 if they have any queries in respect of the matters set out in this document.

BY ORDER OF THE BOARD OF DIRECTORS



John Arbuckle

Company Secretary
Argentina Mining Limited
11 November 2013

The Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's 2013 Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting preceding this Explanatory Statement. Capitalised terms in this Explanatory Statement are defined in the glossary to this document.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice of Annual General Meeting, please contact the Company Secretary, your stockbroker or other professional adviser.

ORDINARY BUSINESS

1. ANNUAL FINANCIAL STATEMENTS

The Corporations Act requires the annual financial report, directors' report and the auditor's report (**Annual Financial Statements**) to be received and considered at the Annual General Meeting. The Annual Financial Statements for the period ended 30 June 2013 are included in the Company's Annual Report, a copy of which can be accessed on-line at www.argentinamining.com.au/. Alternatively, a hard copy will be made available on request.

There is no requirement for Shareholders to approve these reports and no vote will be taken on the Annual Financial Statements. However, Shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Annual Financial Statements and the management of the Company.

The Company's auditor for the year ended 30 June 2013, Deloitte Touche Tohmatsu, will be present at the Annual General Meeting and Shareholders will have the opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the auditor's report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the Annual Financial Statements; and
- (d) the independence of the auditor in relation to the conduct of the audit, may be submitted no later than Monday, 9 December 2013:

In person or by post to: Suite 6, 25 Walters Drive

Herdsmen Business Park

Osborne Park, WA 6017

By facsimile to: + 61 8 9244 7273

By email to: info@argentinamining.com.au

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

2.1 Background

Pursuant to section 250R(2) of the Corporations Act, the Company submits to Shareholders for consideration and adoption, by way of a non-binding resolution, its remuneration report for the year ended 30 June 2013 (the **Remuneration Report**). The Remuneration Report is a distinct section of the annual directors' report (the **Directors' Report**) which deals with the remuneration of Directors, executives and senior managers of the Company. More particularly, the Remuneration Report can be found within the Directors' Report in the Company's 30 June 2013 Annual Report. The Annual Report is available at www.argentinamining.com.au/.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out the remuneration details for each Director and executive officer named in the Remuneration Report for the financial year ended 30 June 2013.

The remuneration levels for Directors, executives and senior managers are competitively set to attract and retain appropriate Directors and Key Management Personnel.

The Chairman of the Annual General Meeting will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

2.2 Regulatory Requirements

The Corporations Act provides that Resolution 1 need only be an advisory vote of Shareholders and does not bind the Directors. However, the Corporations Act provides that if the Company's Remuneration Report resolution receives a "no" vote of 25% or more of votes cast at the Annual General Meeting, the Company's subsequent Remuneration Report must explain the Board's proposed action in response or, if the Board does not propose any action, the Board's reasons for not making any changes. The Board will take into account the outcome of the vote when considering the remuneration policy, even if it receives less than a 25% "no" vote.

In addition, the Corporations Act sets out a "two strikes" re-election process. Under the "two strikes" re-election process, if the Company's Remuneration Report receives a "no" vote of 25% or more of all votes cast at two consecutive annual general meetings (that is, "two strikes"), a resolution (the "spill resolution") must be put to the second annual general meeting, requiring Shareholders to vote on whether the Company must hold another general meeting (known as the "spill meeting") to consider the appointment of all of the Directors who must stand for re-appointment (other than the Managing Director). If the spill resolution is approved at the annual general meeting by a simple majority of 50% or more of the eligible votes cast, the spill meeting must be held within 90 days of that second annual general meeting (unless none of the Directors, other than the Managing Director, stand for re-appointment).

The Company's Remuneration Report did not receive a "no" vote of 25% or more at the Company's previous annual general meeting held on 30 November 2012.

Further information will be provided on the "spill resolution" and "spill meeting" for any annual general meeting at which the Company may face a "second strike".

2.3 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 1.

3. RESOLUTION 2 – RE-ELECTION OF MR DOUGLAS VINCENT BRIGHT AS A DIRECTOR

3.1 Background

Clause 11.3 of the Constitution requires that at the annual general meeting in every year one-third of the Directors for the time being, or, if their number is not three nor a multiple of three, then the number nearest one-third, shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of three years, or until the third annual general meeting following their appointment. Under Listing Rule 14.5, there must be an election of Directors each year.

Under clause 11.4 of the Constitution, a retiring Director is eligible for re-election.

As the Company currently has three Directors, one Director must retire.

Accordingly, as Mr Bright is the longest in office since his last election, he retires by rotation and seeks re-election.

Details about Mr Bright are set out in the Company's 2013 Annual Report which is available at www.argentinamining.com.au/.

3.2 Board Recommendation

The Board (other than Mr Bright) recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY

4.1 Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities of up to 10% of its issued ordinary share capital through placements over a 12 month period following the entity's annual general meeting (**Additional 10% Placement Facility**). The Additional 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalization of \$300 million or less, as at the time of the entity's annual general meeting. The Company is an eligible entity as at the time of this Notice of Annual General Meeting and is expected to be an eligible entity as at the time of the Annual General Meeting.

Resolution 3 seeks Shareholder approval to enable the Company to issue Equity Securities under the Additional 10% Placement Facility throughout the 12 months after the Annual General Meeting. The effect of Resolution 3 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the period set out below.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at the Annual General Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The exact number of Equity Securities that the Company may issue under the Additional 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 4.2(b) of this Notice of Annual General Meeting below).

The Company is seeking a mandate to issue securities under the Additional 10% Placement Facility to enable the Company to pursue its growth strategy with the flexibility to act quickly as potential business opportunities arise.

4.2 Regulatory Requirements

In compliance with the information requirements of Listing Rule 7.3A, Shareholders are advised of the following information:

(a) **Minimum Issue Price**

Equity securities issued under the Additional 10% Placement Facility must be in

the same class as an existing class of quoted Equity Securities of the Company. As at the date of this Notice of Annual General Meeting, the Company has on issue two classes of Equity Securities, Shares and listed Options.

The issue price of Equity Securities issued under the Additional 10% Placement Facility must not be lower than 75% of the VWAP for securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the Equity Securities are issued; or
- (ii) the date on which the price of Equity Securities is agreed, provided that the issue is thereafter completed within 5 business days.

(b) ***Dilution***

As at the date of this Notice of Annual General Meeting, the Company has 78,655,810 Shares on issue. If Shareholders approve Resolution 3 the Company will have the capacity to issue a maximum of approximately 7,865,581 Equity Securities under the Additional 10% Placement Facility in accordance with Listing Rule 7.1A.

The precise number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the following formula:

(A x D) – E

A is the number of fully paid shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the table below to the extent Shareholders do not receive any Shares under such issues. There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

Table 1 below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice of Annual General Meeting.

The below tables also show:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

TABLE 1 – BASED ON CURRENT NUMBER OF ORDINARY SECURITIES ON ISSUE

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.01 50% decrease in Issue Price	\$0.02 Issue Price	\$0.03 50% increase in Issue Price
Current Variable A 78,655,810 Shares	Shares issued	7,865,581 New Shares	7,865,581 New Shares	7,865,581 New Shares
	Funds raised	\$78,655	\$157,311	\$235,967
50% increase in current Variable A 117,983,715 Shares	Shares issued	11,798,371 New Shares	11,798,371 New Shares	11,798,371 New Shares
	Funds raised	\$117,983	\$235,967	\$353,951
100% increase in current Variable A 157,311,620 Shares	Shares issued	15,731,162 New Shares	15,731,162 New Shares	15,731,162 New Shares
	Funds raised	\$157,311	\$314,623	\$471,934

If Resolutions 3, 4, 5 and 7 are passed, on and subject to Completion, the total number of ordinary securities on issue in the Company would be 178,576,000. In this event If Shareholders approve Resolution 3 the Company will have the capacity to issue a maximum of approximately 17,857,600 Equity Securities under the Additional 10% Placement Facility in accordance with Listing Rule 7.1A.

Table 2 below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the number of ordinary securities which would be issued if Resolutions 3, 4, 5 and 7 are passed for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2), on and subject to Completion.

TABLE 2 – ON AND SUBJECT TO COMPLETION

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.01 50% decrease in Issue Price	\$0.02 Issue Price	\$0.03 50% increase in Issue Price
Current Variable A 178,576,000 Shares	Shares issued	17,857,600 New Shares	17,857,600 New Shares	17,857,600 New Shares
	Funds raised	\$178,576	\$357,152	\$535,728
50% increase in current Variable A 267,864,000 Shares	Shares issued	26,786,400 New Shares	26,786,400 New Shares	26,786,400 New Shares
	Funds raised	\$267,864	\$535,728	\$803,592
100% increase in current Variable A 357,152,000 Shares	Shares issued	35,715,200 New Shares	35,715,200 New Shares	35,715,200 New Shares
	Funds raised	\$357,152	\$714,304	\$1,071,456

The tables above have been prepared on the following assumptions:

1. The Company issues the maximum number of Equity Securities available under the Additional 10% Placement Facility.
2. No Options are exercised into Shares before the date of the issue of the Equity Securities.
3. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
5. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
6. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes listed Options, it is assumed that those listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
7. The issue price is 2 cents, being the closing price of the Shares on ASX on 8 November 2013.

(c) **Issue Period**

If Shareholders approve Resolution 3, the Company will have a mandate to issue Equity Securities under the Additional 10% Placement Facility under Listing Rule 7.1A from the date of the Annual General Meeting until the earlier of the following to occur:

- (i) the date that is 12 months after the date of the Annual General Meeting; and
- (ii) the date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(the **Additional 10% Placement Period**).

The Company will only issue Equity Securities under the Additional 10% Placement Facility during the Additional 10% Placement Period.

(d) **Purpose of Issues**

The Company may seek to issue the Equity Securities for the following purposes:

- (i) non-cash consideration for the acquisition of new assets and investments or for the payment of goods and services provided to the Company. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and scoping and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will provide further information at the time of issue of any Equity Securities under the Additional 10% Placement Facility in compliance with its disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A.

(e) **Allocation Policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Additional 10% Placement Facility. The identity of the persons to whom Equity Securities will be issued to will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The persons to whom Equity Securities will be issued to under the Additional 10% Placement Facility have not been determined as at the date of this Notice but may include existing Shareholders and/or new Shareholders.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the persons to whom Equity Securities will be issued to under the Additional 10% Placement Facility will be the vendors of the new resources assets or investments.

The persons to whom Equity Securities will be issued to under the Additional 10% Placement Facility will not include related parties of the Company.

(f) ***Previous issues of Equity Securities made in the 12 months preceding the Meeting***

The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2012 Annual General Meeting.

The total number of Equity Securities issued in the 12 months preceding the date of the Meeting is 15,441,993,¹ which is 17.54% of the number of Equity Securities on issue at the commencement of that 12 month period.²

In compliance with the information requirements of Listing Rule 7.3A.6(b), Shareholders are advised of the following information, in respect of the issues of Equity Securities made in the 12 months preceding the Meeting.

(i) Shares issued to Mr Stephen Shedden

As approved by Shareholders at the Company's 2012 annual general meeting on 30 November 2012, Mr Stephen Shedden was issued 1,000,000 Shares. The Shares were issued under a Deed of Settlement and Release as a result of Mr Shedden's redundancy on 12 October 2012 (**Deed of Settlement and Release**). Mr Shedden agreed to forego the 12 month termination clause of his Executive Service Agreement in exchange for 1,000,000 Shares.

Number of securities issued and date of issue

The 1,000,000 Shares were issued on 28 December 2012.

Class and terms of the securities

The Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares. The Company has applied to ASX for official quotation of the Shares, which has been granted.

The Shares were issued on the terms set out in Annexure A.

Persons to whom the securities were issued to

The Shares were issued to Mr Shedden.

Mr Shedden was a related party of the Company at the time of the issue as his appointment as a Director ended on 12 October 2012, by virtue of s 228(5) of the Corporations Act. Given that Mr Shedden however received the Shares in lieu of a termination payment due to him as a result of his redundancy, the Board considered that the exception in section 211 of the Corporations Act applied to the Share issue as reasonable remuneration.

The price at which the securities were issued

The Shares were not issued for consideration as they were issued pursuant to the Deed of Settlement and Release.

The use of the funds raised and value of consideration

No funds were raised from the issue as they were issued pursuant to the Deed of Settlement and Release. As the issue was for non-cash consideration of 1,000,000 Shares, the current value of that non-cash consideration as at 8 November 2013 is \$20,000.³

(ii) March 2013 Placement

Although the Company received Shareholder approval for the March 2013 Placement at the Company's 2012 annual general meeting on 30 November 2012,

¹ This includes the Shares issued to Mr Shedden and the March 2013 Placement. This does not include the Shares and Options released from escrow on 11 March 2013 as these Shares and Options were already on issue.

² As at 16 December 2012, there were 63,213,817 Shares and 24,850,003 Options on issue, being a total of 88,063,820 Equity Securities on issue.

³ Based on 2 cents per Share, being the closing price of the Shares on ASX on 8 November 2013.

the Shares were issued 3 months after receipt of Shareholder approval. As such the Company is seeking to ratify this issue under Resolution 4 of this Notice of Meeting.

Number of securities issued and date of issue

8,894,143 Shares were issued on 27 March 2013 (which formed part of the total of 14,441,993 Shares issued under the March 2013 Placement including the Shares issued to Goland SRL, details of which are set out below).

Class and terms of the securities

The Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares. The Company has applied to ASX for official quotation of the Shares, which has been granted.

The Shares were issued on the terms set out in Annexure A.

Persons to whom the securities were issued to

The Shares were issued to professional or sophisticated investors.

None of the professional or sophisticated investors to whom Shares were issued were related parties of the Company (or associates of such persons) at the time of issue of the Shares.

As a result of the March 2013 Placement, Independence Group increased its interest in the Company to 19.94%.

The price at which the securities were issued

The Shares were issued at 3.5 cents per Share.

The use of the funds raised and value of consideration

The total funds raised was approximately \$311,295 (before costs).

All of the funds raised have been spent on the Company's Argentinean projects, administration and working capital.

(iii) Issue to Goland SRL

The Company is seeking to ratify the issue of Shares to Goland SRL as part consideration for a drilling contract, (which formed part of the total 14,441,993 Shares issued under the March 2013 Placement) under Resolution 4 of this Notice of Meeting.

Number of securities issued and date of issue

5,547,850 Shares were issued on 27 March 2013.

Class and terms of the securities

The Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares. The Company has applied to ASX for official quotation of the Shares, which has been granted.

The Shares were issued on the terms set out in Annexure A.

Persons to whom the securities were issued to

The Shares were issued to Goland SRL.

Goland SRL was not a related party of the Company (or associates of such persons) at the time of issue of the Shares.

The price at which the securities were issued

The Shares were issued at 3.5 cents per Share.

The use of the funds raised and value of consideration

The Shares were issued as part compensation for the drilling contract, as non-cash consideration. The current value of the non-cash consideration is \$110,957.⁴

(g) **Voting exclusion statement**

A voting exclusion statement for Resolution 3 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

At the date of the Notice of Annual General Meeting, the Company has not approached any particular existing security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. Accordingly, the proposed persons to whom any Equity Securities may be issued to under the Additional 10% Placement Facility are not as yet known or identified.

In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the Additional 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Annual General Meeting.

4.3 Board Recommendation

The Board believes that the Additional 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommend that Shareholders approve Resolution 3.

SPECIAL BUSINESS

5. BACKGROUND

5.1 Merger

On 16 October 2013, the Company signed a binding Heads of Agreement (**Heads of Agreement**), to acquire all the issued shares in Simba (**Merger**).

5.2 Simba

Simba is an Australian unlisted public company, with less than 50 members. Simba's main business activity is gold exploration in Tanzania.

Simba holds a 99.95% interest in two large areas, including mineral licence interests (through its 99.95% owned subsidiary Kudu Resources (TZ) Ltd (**Kudu**)) referred to as the Geita and Singida Projects, in the Nyanzian Craton in Tanzania, East Africa.

Kudu currently holds 100% of the rights to 22 prospecting licences and applications in central and north-western Tanzania (**Licences**). Simba is also currently finalizing the acquisition of a 99.95% interest in a gold deposit at Mabale Hills where high grade gold results have been obtained in drilling. Simba has an experienced low-cost Tanzanian exploration management team and excellent local connections. Simba has undertaken extensive and detailed exploration within their projects, successfully defining a number of gold targets which warrant immediate further drilling.

⁴ Based on 2 cents per Share, being the closing price of the Shares on ASX on 8 November 2013.

The Nyanzian Craton is approximately 350,000km² in area and includes extensive areas of Archaean 'Yilgarn-style' greenstones, similar to those in Western Australia, which are highly prospective for gold; the greenstones are host to a globally-recognized major gold camp, with an estimated 70Moz potential, from which total 2011 gold production alone has been approximately 40 tonnes. Tanzania has been Africa's 4th largest gold producer in recent years, and is the 15th largest producer globally (World Gold Council 2013).

Simba's Geita Project consists of ten 99.95%-owned prospecting licences, covering 154km² in largely Archaean BIF-greenstone terrain in North West Tanzania, at the southern end of Lake Victoria and only 20km along strike from African Barrick's massive 17Moz Bulyanhulu Gold Project. Other nearby significant gold projects include Geita (12Moz), Buzwagi (4.4Moz), Tulawaka (0.7Moz), Golden Pride (0.7Moz) and Golden Ridge (0.68Moz). Total gold endowment of the Lake Victoria Goldfield is excess of 70Moz.

Within the Geita Project, over 10,000m of drilling at the Mabale Hills Prospect by Currie Rose Resources Inc. between 2004-2012 identified a number of significant high grade gold intercepts in an oxidized BIF-felsic porphyry host. This mineralisation is open depth and along strike and warrants immediate further drilling, while numerous other gold geochemical targets (e.g. Mimbili) at Geita also require drilling.

Significant intercepts at Mabale Hills include (see Figures 2a and 2b below):

DH MBNR001	34m @ 3.6g/t Au
DH MBNR007	12m @ 9.1g/t Au
DH MBNR015	63m @ 2.6g/t Au
DH MBND001	31m @ 6.0g/t Au

Simba's Singida Project consists of twelve 99.95%-owned prospecting licences enclosing 410km² of Archaean greenstones in Central North Tanzania, 60km north of Shanta Gold's 0.9Moz Londoni gold resource, which is not yet in production. Regional soil geochemistry at four of the Singida prospects has defined the following gold anomalism in lateritized greenstones:

- Babadede anomaly +40ppb (up to 2,340ppb) over 500m (pannable fine gold in soils)
- Wandela anomaly +12ppb (up to 1100ppb) over 4000m strike
- Ndughweye anomaly +30ppb over 600 by 400m
- Mze Ede anomaly +12ppb over 300 by 200m

Figure 1: Simba's Geita and Singida project locations and major Tanzanian gold deposits

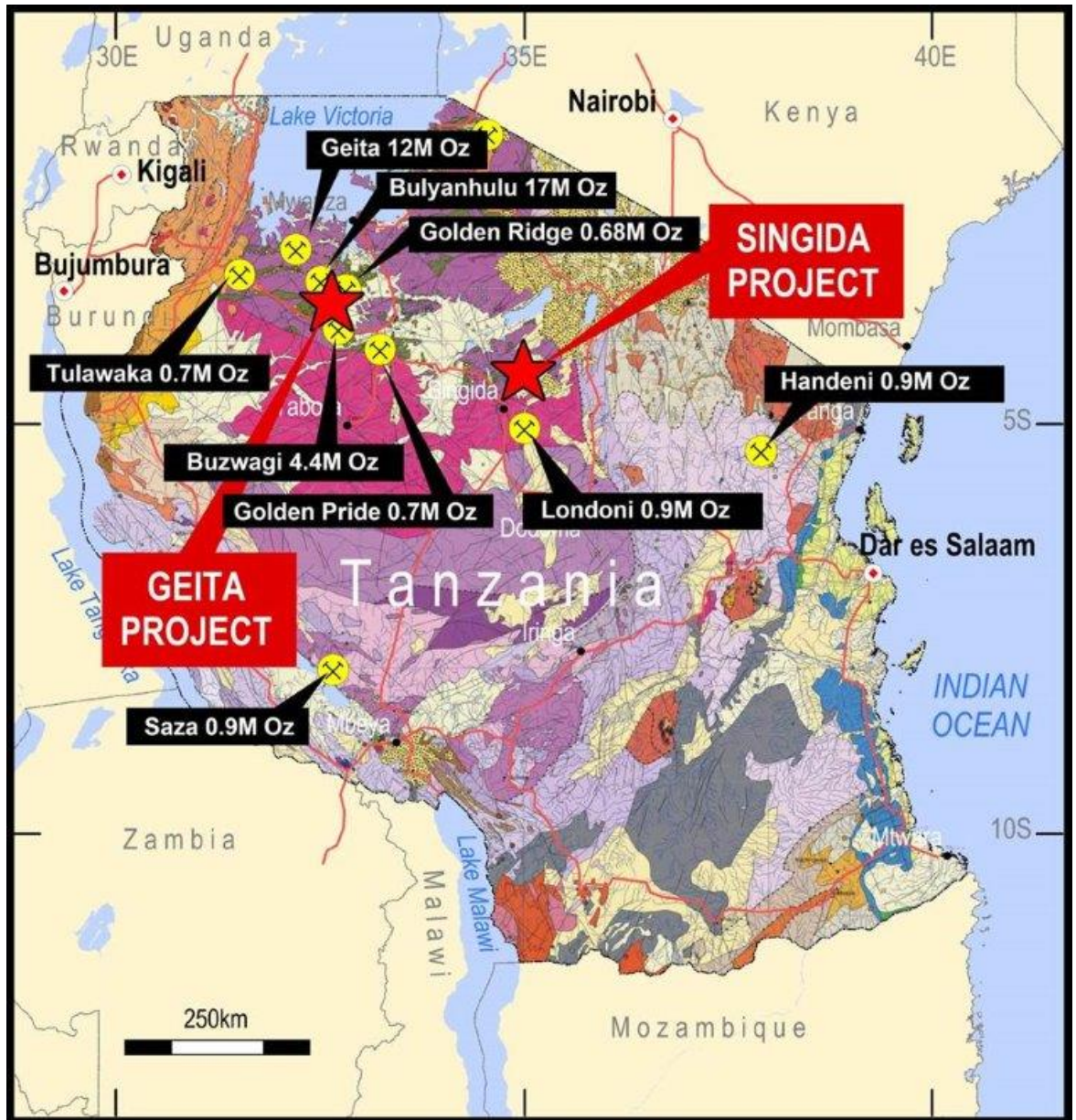


Figure 2a: Mabale Hills Prospect, Geita Project, Section 9650120N gold intercepts in drilling

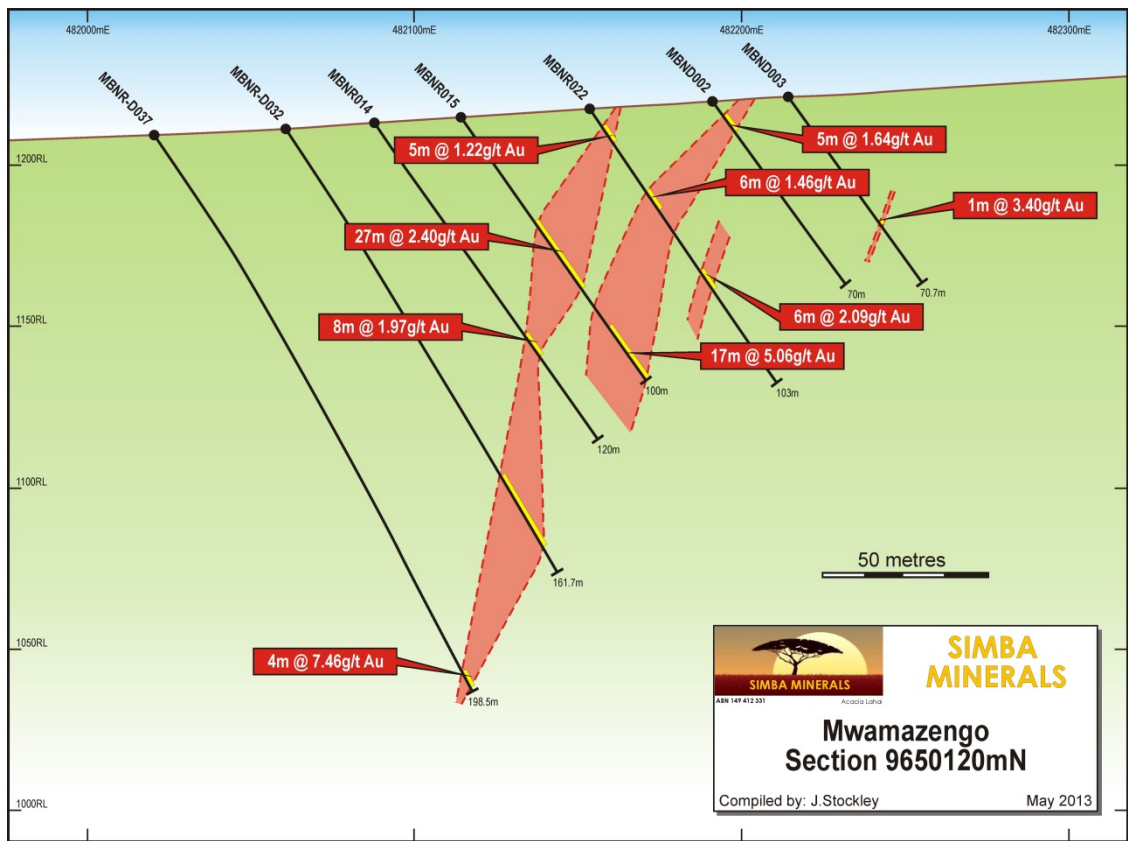
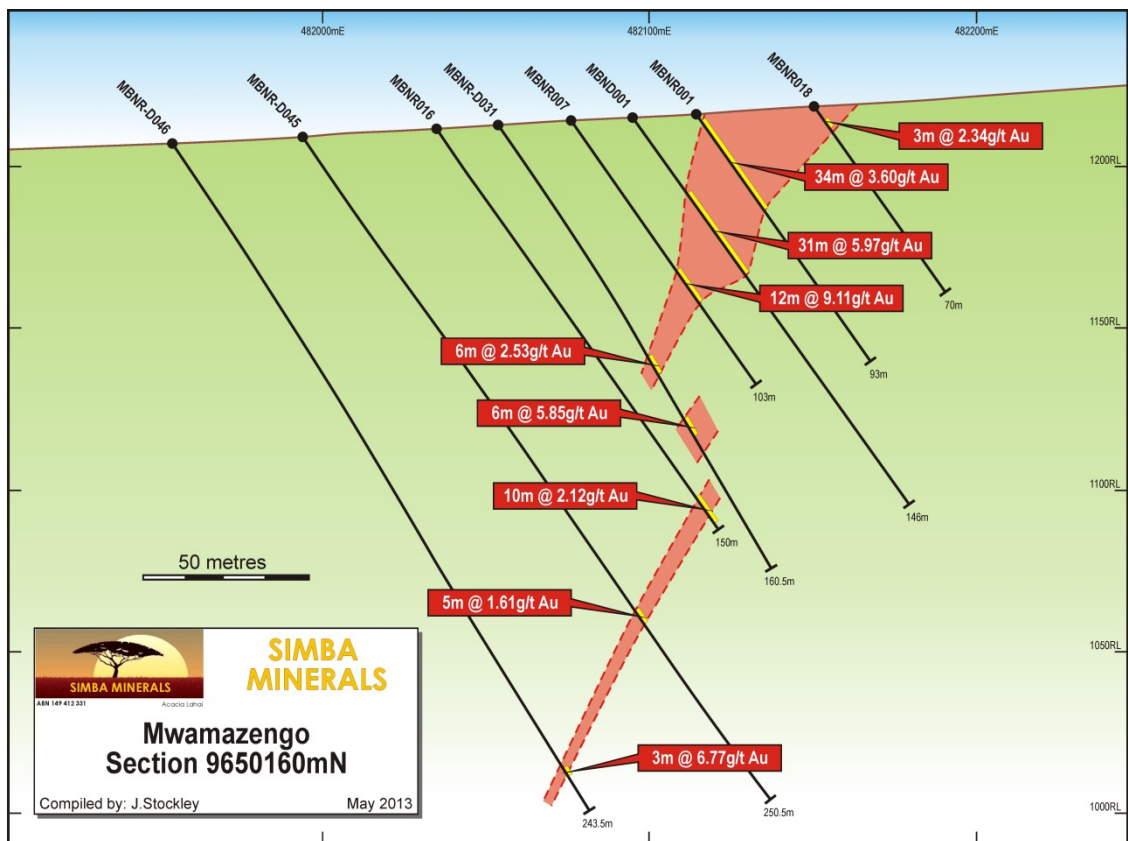


Figure 2b: Mabale Hills Prospect, Geita Project, Section 9650160N gold intercepts in drilling



5.3 Heads of Agreement

Under the Heads of Agreement, the Company has agreed to:

- (a) acquire 100% of the Simba Shares held by the majority shareholders identified in the Heads of Agreement; and
- (b) make offers (**Offers**) to acquire the Simba Shares held by each of the minority shareholders identified in the Heads of Agreement,

(together the **Vendors**).

The total consideration to be paid to the Vendors in their respective proportions for the shares in Simba is 77,420,190 Shares, on the basis of 2 Shares for each Simba Share being 38,710,095 Simba Shares in total (including 2,100,000 Simba Shares which will be issued to Currie Rose Resources Inc after execution of the Heads of Agreement).

The majority shareholders of Simba have agreed to the cancellation of all the options to acquire ordinary shares in Simba exercisable at 25 cents that they hold (10,500,000 options in aggregate) for nil consideration.

5.4 Placement and Interim Loan

The Company intends to raise up to \$225,000 via an equity placement (**Placement**) subject to Shareholders approving the issue of Shares under the Placement.

In the interim, and as a condition to the Merger, the majority shareholders of Simba are to procure investors to provide interim bridge finance of \$225,000 which will be convertible into Shares in the Placement on Completion (**Interim Loan**).

The numbers of Shares which each of the lenders under the Interim Loan will receive on conversion, will be calculated by dividing the outstanding amount being converted under the Interim Loan by \$0.01. The total amount raised by the Company under the Placement will be reduced to the extent any amounts lent under the Interim Loan are converted into Shares on Completion. It is intended that all amounts lent will be converted into Shares on Completion.

The material terms and conditions of the Interim Loan are set out in Annexure B.

Approval of the Placement is the subject of Resolution 5 of this Notice.

5.5 Conditions precedent to Merger

The Merger is subject to a number of conditions precedent, including:

- (a) completion of due diligence by the Company and Simba within one month after the date of execution of the Heads of Agreement, and the provision of a title opinion by 15 December 2013 from Tanzanian lawyers showing that the Licences are owned by Kudu are in good standing and are not liable to forfeiture or cancellation;
- (b) Independence Group agreeing to the Subscription and Alliance Agreement being amended or a waiver of that agreement, such that the agreement does not apply to Simba, Kudu, the Licences and Africa generally, including the provision of consideration to the Company to Independence Group, in a form satisfactory to both the Company and the majority Simba shareholders;
- (c) each minority Simba shareholder accepting the Company's Offer to acquire their Simba Shares pursuant to the Merger, within 21 days of the Offers being made;
- (d) the Company carrying out the Placement no later than 31 days following receipt of shareholder approval to do so;
- (e) the majority Simba shareholders procuring, within 31 days of the date of the Heads of Agreement, investors to provide interim bridge finance of at least \$125,000 described above at section 5.4 of this Explanatory Statement; and
- (f) receipt of all ASIC, ASX and shareholder approvals.

It is a condition precedent to the Heads of Agreement that the Company obtain the approval of its Shareholders for the performance of the transactions contemplated by the Heads of

Agreement. The Resolutions required under the Heads of Agreement have been included in this Notice of Meeting as Resolutions 4, 5, 6, 7, 8, 9, 10 and 11.

In addition, it is a condition precedent of the Heads of Agreement that the Company receive confirmation in writing from the ASX confirming that the Company will not need to re-comply with Chapters 1 and 2 of the Listing Rules by reason of the Merger. This condition has been satisfied.

5.6 Timetable

Completion of the Merger will occur 5 business days after the satisfaction or waiver of all of the conditions precedent to the Heads of Agreement (**Completion**).

If the conditions precedent are not satisfied or waived by 31 December 2013 (or such other date as agreed by the parties), the Heads of Agreement will terminate.

The timetable for implementation of the Merger is set out below. It should be noted that the dates below are indicative only and are subject to change.

Meeting date	16 December 2013
Expected date of satisfaction of conditions	16 December 2013
Completion and expected issue of Shares to Vendors	20 December 2013
Expected date for despatch of holding statements to Vendors	3 January 2014

5.7 Effect of Merger – Pro-forma Statement of Financial Position

The Company anticipates that the Merger will have the following effect on the Company, as set out in the unaudited pro-forma Statement of Financial Position of the Company's Statement of Financial Position as at 30 June 2013 as set out in Annexure C to this Notice of Meeting.⁵

5.8 Capital structure of the Company on Completion

The proposed Share capital structure of the Company on Completion is set out below. The number of Options on issue, being 24,850,003 will not change on Completion.

	Shares issued	Total
Current	78,655,810	78,655,810
Issue of Shares to the Vendors	77,420,190	156,076,000
Placement⁶	22,500,000	178,576,000

Following Completion of the Merger no shareholder will have a relevant interest in more than 20% of the voting shares of the combined entity. Accordingly, the Company is not seeking shareholder approval for the purpose of section 611 item 7 of the Corporations Act before completing the proposed Merger and item 6 of appendix 9B of the Listing Rules will not apply to any shareholder.

5.9 Advantages of the Merger

The Directors consider that the Merger offers the following non-exhaustive list of benefits:

⁵ Based on the audited Annual Report for the financial year ended 30 June 2013 for Argentina and the audited Annual Report for the financial year ended 30 June 2013 for Simba.

⁶ Includes the Shares to be issued on conversion of the Interim Loan.

- (a) the gold exploration potential of the Tanzanian projects represents a significant opportunity for the Company, including the potential of near term gold production;
- (b) through its Merger with Simba, a larger market capitalisation and shareholder base should provide more liquid stock and market appeal;
- (c) the combined Board will provide an experienced set of skills to guide growth of the Company; and
- (d) the Merger will spread sovereign risk and expose the Company to greater development potential within its existing portfolio and provide further opportunities for portfolio expansion, especially in East Africa.

5.10 Disadvantages of the Merger

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to Shareholders in deciding how to vote in respect of the Merger:

- (a) the Company will be changing the scale of its activities by extending its gold exploration activities in Tanzania, which may not be consistent with the objectives of certain Shareholders;
- (b) the Merger will result in the issue of Shares by the Company to the Vendors, which will have a dilutionary effect on the current holdings of Shareholders; and
- (c) there is no guarantee that exploration activities in Tanzania will result in the discovery of a mineral resource.

5.11 Risks

Shareholders should be aware that if the Merger is approved, the Company will be changing the scale of its activities to include gold exploration activities in Tanzania, which is subject to various risk factors.

The risk factors set out in this section, and others not specifically referred to may, in the future, materially affect the financial performance of the Company and the value of its Shares. Therefore the Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Based on the information available, a non-exhaustive list of risk factors is set out below.

Risks relating to the Company's operations

(a) General risks associated with operating in Tanzania

As a result of operating in Tanzania, the Company will be subject to the risks associated with operating in that country. Such risks can include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations.

Changes to Tanzania's mining or investment policies and legislation or a shift in political attitude may adversely affect the Company's operations and profitability.

(b) Tanzania's legal environment

The Tanzanian legal system is less developed than more established countries and this could result in the following risks:

- (i) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation or in an ownership dispute;
- (ii) a higher degree of discretion held by various government officials or agencies;

- (iii) the lack of political or administrative guidance on implementing applicable rules and regulations, particularly in relation to taxation and property rights;
- (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or
- (v) relative inexperience of the judiciary and court in matters affecting the Company.

(c) Sovereign risk – Tanzania

Tanzania is a country considered to be a developing country and as such is subject to emerging legal and political systems compared with the systems in place in Australia.

Possible sovereign risks include, without limitation, changes in the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares.

No assurance can be given regarding the future stability of Tanzania.

(d) Operating risks

There can be no assurance that the Company's intended goals will lead to successful exploration, mining and/or production operations. Further, no assurance can be given that the Company will be able to initiate or sustain minerals production, or that future operations will achieve commercial viability.

When additional exploration in Tanzania is undertaken and if a JORC compliant resource or reserve is not defined, then it may have a negative impact on the Company.

Future operations of the Company may be affected by various factors including:

- (i) geological and hydrogeological conditions;
- (ii) limitations on activities due to seasonal weather patterns and monsoon activity;
- (iii) unanticipated operational and technical difficulties encountered in survey, drilling and production activities;
- (iv) electrical and/or mechanical failure of operating plant and equipment, industrial and environmental accidents, industrial disputes and other force majeure events;
- (v) equipment failure, fires, spills or industrial and environmental accidents;
- (vi) unavailability of aircraft or equipment to undertake airborne surveys and other geological and geophysical investigations;
- (vii) risk that exploration, appraisal, development, plant or operating costs prove to be greater than expected or that the proposed timing of exploration, development or production may not be achieved;
- (viii) failure to achieve exploration success;
- (ix) the supply and cost of skilled labour;
- (x) unexpected shortages or increases in the costs of consumables, diesel fuel, spare parts, plant and equipment; and
- (xi) prevention and restriction of access by reason of political unrest, outbreak of hostilities and inability to obtain consents or approvals.

No assurances can be given that the Company's operations in Tanzania will achieve commercial viability through successful exploration and/or mining.

(e) Exploration

Mining exploration is inherently associated with risk. Notwithstanding the experience, knowledge and careful evaluation a company brings to an exploration project, there is no assurance that the recoverable mineral resources will be identified. Even if identified, other factors such as technical difficulties, geological conditions, adverse changes in government policy or legislation or lack of access to sufficient funding may mean that the resource is not economically recoverable or may otherwise preclude the Company from successfully exploiting the resource.

(f) Exploration and operating costs

The proposed exploration expenditure of the Company in Tanzania is based on certain assumptions with respect to the method and timing of exploration and feasibility work. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice.

(g) Title risk

The Licences and other mining claims in which the Company will, or may acquire an interest in the future are subject to the applicable local laws and regulations.

Claims in which the Company has an interest are subject to the relevant conditions applying in each jurisdiction. Failure to comply with these conditions may render the claims or Licences liable for forfeiture.

The Licences and other mining claims will be subject to application for claim renewal from time to time. Renewal of the term of each claim is subject to applicable legislation. If the claim is not renewed for any reason, the Company may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that claim.

(h) Contractual risks

The ability of the Company to achieve its objectives will depend on the performance by the counterparties to any agreements that the Company and/or Simba may enter into. If any counterparty defaults in the performance of their obligations, it may be necessary for the Company or Simba to approach a court to seek a legal remedy. Legal action can be costly. Furthermore, certain contracts to which either the Company or Simba is a party may be governed by laws of jurisdictions outside Australia. There is a risk that the Company or Simba may not be able to seek the legal redress that it could expect under Australian law and generally there can be no guarantee that a legal remedy will ultimately be granted on the appropriate terms.

(i) Price of gold

Upon completion of the Merger, the Company will direct significant attention towards the Exploration for gold in Tanzania.

The market price of gold is set in the world market and is affected by numerous industry factors beyond the Company's control including the demand for precious metals, expectations with respect to the rate of inflation, interest rates, currency exchange rates, the demand for jewellery and industrial products containing gold, gold production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks and other holders, speculators and producers of gold and other metals in response to any of the above factors, and global and regional political and economic factors.

A decline in the market price of gold could have a material adverse impact on the ability of the Company to finance the exploration and development of its Tanzanian projects and other future gold projects.

(j) Commodity prices

Increases in commodity prices may encourage increases in exploration, development and construction activities, which can result in increased demand for, and cost of, exploration, development and construction services and equipment. Increased demand for services and equipment could cause exploration and project costs to increase materially, resulting in delays if services cannot be obtained in a timely manner due to inadequate availability, and could increase potential scheduling difficulties and costs due to the need to co-ordinate the availability of services or equipment, any of which could materially increase project exploration, development or construction costs or result in project delays or both. Any such material increase in costs would adversely affect the Company's financial condition.

(k) Health, safety and the environment

The conduct of business in the resources sector involves a variety of risks to the health and safety of personnel and to the environment. If it is conceivable that an incident may occur which might negatively impact on the Company's business.

(l) Compliance risk

Title to a mining claim may be subject to the holder complying with the terms and conditions of the claim, including any minimum annual expenditure commitments. There is a risk that if the holder does not comply with the terms and conditions of each claim, it may lose its interest in the relevant interest.

(m) Resource estimates

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(n) Environmental risks

The proposed activities of the Company are subject to the laws of Tanzania and regulations concerning the environment. As with most exploration projects, the Company's activities are expected to have an impact on the environment, particularly during advanced exploration and future mining activities. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

(o) Changes in government policy and laws

Changes in government or statutory changes may affect the Company's business and its operations.

(p) International operations

International sales and operations are subject to a number of risks, including:

- (i) potential difficulties in enforcing agreements (including joint venture agreements) and collecting receivables through foreign local systems;
- (ii) potential difficulties in protecting intellectual property;
- (iii) increases in costs for transportation and shipping; and
- (iv) restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

(q) Commodity price volatility and exchange rate risks

Expenditure in Tanzania will require expenditure in either Tanzanian shillings or United States dollars.

If the Company achieves exploration success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate fluctuations and risks.

Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for gold and other commodities, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities (including gold) are denominated in United States dollars, whereas the expenditure of the Company is and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

In the future, a significant proportion of the Company's revenues, cash inflows, other expenses, capital expenditure and the commitments may be denominated in foreign currencies.

To comply with Australian reporting requirements the income, expenditure and cash flows of the Company will need to be accounted for in Australian dollars. This will result in the income, expenditure and cash flows of the Company being exposed to the fluctuations and volatility of the rate of exchange between other currencies and the Australian dollar, as determined in international markets.

Furthermore, at this stage the Company has decided to not put in place any hedges in relation to foreign exchange. This may result in the Company being exposed to exchange rate risk, which may have an adverse impact on the profitability and/or financial position of the Company.

General risks

(a) Subsidiary risk

On completion of the Merger, Simba will become a wholly owned subsidiary of the Company. The Company's rights to participate in a distribution of Simba's assets and/or the assets in the event of liquidation, re-organisation or insolvency is generally subject to prior claims of that entity's creditors, including trade creditors.

(b) General economic climate

The Company's future can be affected by factors beyond its control such as supply and demand for its goods and services, and general economic conditions.

(c) Reliance on key management

The responsibility of overseeing the day-to-day operations and the strategic management of the Company and its controlled entities depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these senior management, key personnel or employees cease their involvement or employment with the Company or its controlled entities.

(d) Additional requirements for capital

The continued operations of the Company are dependent on its ability to obtain financing through debt and equity financing or generating sufficient cash flows from future operations. There is a risk that the Company may not be able to access capital from debt or equity market for future projects or developments, which could have a material adverse impact on the Company's business and financial condition.

(e) Insurance risks

The Company maintains insurance for certain activities within ranges of coverage that it believes to be consistent with industry practice and having regard to the nature of activities being conducted. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

(f) Market risk and interest rate volatility

From time to time, the Company may borrow money and accordingly will be subject to interest rates which may be fixed or floating. A change in interest rates would be expected to result in a change in the interest rate to the Company and, hence, may affect its profit.

(g) Competition

There is a risk that the Company will not be able to continue to compete in the competitive industry in which it operates. The potential exists for the nature and extent of the competition to change rapidly, which may cause loss to the Company.

(h) Share market

There are general risks associated with an investment and the share market. The price of the Company's securities on the ASX may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's financial performance. These factors may include movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxation and royalties, war, global hostilities and acts of terrorism.

(i) Liquidity risk

There is no guarantee that there will be an ongoing liquid market for the Company's securities. Accordingly, there is a risk that, should the market for the Company's securities become illiquid, Shareholders will be unable to realise their investment in the Company.

(j) Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above may, in the future, materially affect the financial performance of the Company and the value of the Company's securities.

(k) General economic climate

The Company's future can be affected by factors beyond its control such as supply and demand for its goods and services, and general economic conditions.

5.12 Directors holdings

As at the date of the Meeting, the Directors have the following holdings in the Company.

Director	Direct		Indirect	
	Shares	Options	Shares	Options
D Bright	826,668	450,000	-	-
E Videla	6,765,001	-	4,095,000	2,000,000
T Kennedy	-	-	15,879,109	5,952,650

Subject to and on Completion, the Directors (or their nominees), will have the following holdings in the Company.

Director	Direct		Indirect	
	Shares	Options	Shares	Options
D Bright	826,668	450,000	-	-
E Videla	6,765,001	-	4,095,000	2,000,000
T Kennedy	-	-	15,879,109	5,952,650
J Stockley	-	-	9,402,502	-
A Lafferty	-	-	7,152,502	-

5.13 Board structure on and subject to Completion

The Merger will combine experience and country-specific management from both entities as on Completion, John Stockley and Allen Lafferty as Simba nominees will immediately be appointed to Board. The Company has no intention to appoint further Directors immediately following the Merger, however the Company will conduct a board review in due course.

5.14 Proposed activities and use of funds post Completion

The Company intends to retain and further develop its current assets in Argentina in accordance with its existing programs. The Company's intentions with respect to the Simba assets post acquisition, in parallel with developing the Company's existing assets, are to undertake a number of staged capital raisings to fund further exploration, with the object of discovering and/or developing a JORC-compliant resource of a minimum of 250,000oz gold in Tanzania by end of December 2014 and advancing at least one of the Argentine projects.

The Company's combined cash position post completion of the Merger will be A\$450,000. The Company intends to these funds for the following purposes:

Use of funds	Expenditure (A\$)
Acquire regional aeromagnetics over the Singida Project and firm up drill targets	A\$40,000
Carry out further drilling of the	A\$110,000

Mabale Hills mineralized zone in the Geita Project	
Carry out drilling at the Mimbili gold target, 20km SW of Mabale Hills	A\$40,000
Develop new regional targets at Singida and Geita	A\$35,000
Fund options at the San Francisco Project in Argentina and drill high value gold targets at Las Leñas	A\$225,000
Total	A\$450,000

The proposed Merger will increase the Company's shareholder base, expand market appeal, spread sovereign risk and expose the Company to greater development potential within its existing portfolio and provide further opportunities for portfolio expansion, especially in East Africa.

5.15 Additional information

(a) Share price

The following table gives details of the highest, lowest and latest closing prices of the Company's Shares trading on ASX over the 12 months prior to the announcement of the Merger on 17 October 2013.

Highest closing price in the 12 months prior to the announcement of the Merger	\$0.07 on 31 January 2013
Lowest closing price in the 12 months before the announcement of the Merger	\$0.009 on 16 October 2013
Closing price on 8 November 2013 (being the last trading day before the date of this Notice)	\$0.02 on 8 November 2013

(b) Other material information

The Company is a "disclosing entity" for the purposes of section 111AC of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. These disclosure obligations require the Company to disclose to the ASX (ASX Code: AVK) any information that a reasonable person would expect to have a material effect on the price or value of the Company's securities.

The Company's announcements are available from www.asx.com.au and general information relating to the Company can be found on the Company's website at <http://www.argentinamining.com.au/>.

There is no other information material to the making of a decision by Shareholders whether or not to vote in favour of the Merger (being information that is known to the Directors which has not previously been disclosed to Shareholders) other than as set out in this Explanatory Statement.

(c) Competent person

Information in this Notice of Meeting that relates to exploration results and inferred resources is based on information compiled by Mr Douglas Bright, who is a Member of the Australasian Institute of Mining and Metallurgy and a Director of and geological consultant to the Company; and Mr John Stockley, a Fellow of the Australasian Institute of Mining and Metallurgy and a director of Simba.

Mr Bright and Mr Stockley have sufficient experience relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Bright and Mr Stockley consent to the inclusion in this Notice of Meeting of the matters based on their information in the form and context in which it appears.

5.16 Board recommendation

The proposed Merger has the full support of the directors of both the Company and Simba and the Board considers that the proposed Merger is in the best interests of the Company and its Shareholders as a whole.

5.17 Merger subject to Shareholder approval

It is important for Shareholders to note that the Merger will not proceed unless each of Resolutions 5, 6, 7, 8, 9 and 10 are passed.

6. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES – MARCH 2013 PLACEMENT

6.1 Background

On 27 March 2013 the Company issued a total of 8,894,143 Shares to sophisticated and professional investors at \$0.035 per Share, to raise approximately \$311,295 before costs (**March 2013 Placement**).

Also on 27 March 2013, pursuant to a drilling contract with its Argentine drilling contractor, Goland SRL, was issued 5,547,850 shares at the capital raising price of \$0.035 per Share by the Company as part compensation for the drilling contract, as non-cash consideration. This constituted part of the March 2013 Placement. The current value of the non-cash consideration is \$110,957.⁷

A portion of the Shares issued pursuant to the March 2013 Placement, being 6,421,382 Shares were issued under the Company's Additional 10% Placement Facility under Listing Rule 7.1A. The balance of Shares under the March 2013 Placement being 8,020,611 Shares, were issued under Listing Rule 7.1.

The purpose of Resolution 4 is for Shareholders to approve and ratify under Listing Rule 7.4, the issue of the 14,441,993 Shares issued under the March 2013 Placement.

6.2 Regulatory Requirements

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

Under Listing Rule 7.1A, where an eligible entity obtains shareholder approval to increase its placement capacity, any equity securities issued under that additional placement capacity will not be counted in the variable upon which the 10% placement capacity is based until that issue has been ratified under Listing Rule 7.4 (or 12 months has passed since their issue). In addition, any equity securities issued under that additional placement capacity will reduce the balance of equity securities able to be issued under that additional capacity without prior shareholder approval until that issue has been ratified under Listing Rule 7.4 (or 12 months has passed since their issue).

⁷ Based on 2 cents per Share, being the closing price of the Shares on ASX on 8 November 2013.

By ratifying this issue and subject to fresh approval being granted under Resolution 3, the Company will increase the variable upon which the 10% placement capacity is based and retain the flexibility to issue equity securities in the future up to the 10% placement capacity set out in Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

Under Resolution 4, the Company accordingly seeks Shareholder approval for, and ratification of, the issue of the securities issued under the March 2013 Placement so as to limit the restrictive effect of Listing Rules 7.1 and 7.1A on any further issues of Equity Securities in the next 12 months.

The securities issued, for which approval and ratification is sought under Resolution 4, comprise approximately 13.95% of the Company's fully diluted issued capital (based on the number of Shares and Options on issue as at the date of this Notice of Annual General Meeting).⁸

In compliance with the information requirements of Listing Rule 7.5 please refer to the information provided in respect of the March 2013 Placement and the issue to Goland SRL in respect of Listing Rule 7.3A.6(b) at sections 4.2(f)(ii) and 4.2(f)(iii) of the Explanatory Statement.

6.3 Recommendation of directors

The Board believes that the ratification of this issue is beneficial for the Company as it allows the Company to ratify the above issues of securities and retain the flexibility to issue further securities representing up to 25% (subject to approval of Resolutions 3, 5, 7, 8 and 11) of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommends Shareholders vote in favour of Resolution 4.

7. RESOLUTION 5 – APPROVAL OF ISSUE OF SHARES – PLACEMENT

Resolution 5 seeks Shareholder approval for the issue of up to 22,500,000 Shares at an issue price of \$0.01 per security to raise up to \$225,000 via a placement to sophisticated and professional investors (**Placement**).

As noted at section 5.4 of this Explanatory Statement, the total amount raised by the Company under the Placement will be reduced to the extent any amounts lent under the Interim Loan are converted into Shares on Completion. It is intended that all amounts lent will be converted into Shares on Completion.

7.1 Regulatory Requirements

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

In compliance with the information requirements of Listing Rules 7.3 (for the purposes of approval under Listing Rule 7.1), Shareholders are advised of the following information:

(a) ***Maximum number of securities to be issued***

Under Resolution 5, the Company seeks from Shareholders approval for, the issue of a maximum of 22,500,000 Shares and at \$0.01 each.

(b) ***The date by which the entity will issue the securities***

The securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules). The securities will be issued on one date and not on successive dates.

(c) ***The issue price of the securities***

⁸ 78,655,810 Shares on issue and 24,850,003 Options on issue being a total of 103,505,813 Equity Securities on issue as at the date of this Notice of Meeting.

The Shares are to be issued at the issue price of \$0.01.

(d) ***Persons to whom the securities are to be issued to***

The Shares will be issued to investors under section 708 of the Corporations Act.

The investors will not be related parties of the Company (or associates of such persons) at the time of issue of the Shares other than entities or parties associated with John Stockley and Allen Lafferty, proposed directors of the Company. The Company is relying on exception 6 in Listing Rule 10.12 for not seeking separate Shareholder approval for the issue of securities to a related party.

(e) ***Terms of the securities***

The Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares. The Company will apply to ASX for official quotation of the Shares.

The Shares are to be issued on the terms set out in Annexure A.

(f) ***The intended use of the funds raised***

The Shares are to be issued in order to raise funds for expenditure on the Company's projects as set out in section 5.14 of this Notice of Meeting.

(g) ***Voting exclusion statement***

A voting exclusion statement for Resolution 5 is included in the Notice preceding this Explanatory Statement.

7.2 Section 208 Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 229 of the Corporations Act includes as an example of a "financial benefit", the issuing of securities or the granting of an option to a related party.

A "related party" is widely defined under the Corporations Act, and includes a Director of the Company and a person who may become a director of the Company and their related parties. For this reason entities or parties associated with John Stockley and Allen Lafferty, as proposed directors, are considered related parties of the Company.

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- the giving of the financial benefit falls within an exception to the provision; or
- prior shareholder approval is obtained to the giving of the financial benefit and the benefit is given within 15 months after shareholder approval is obtained.

Given that entities or parties associated with John Stockley and Allen Lafferty, as proposed directors, will be issued Shares on the same arm's length terms as the parties who are not related parties of the Company under the Placement, the Board considers that Chapter 2E of the Corporations Act does not apply.

7.3 Recommendation of directors

The Board believes that the approval of this issue is beneficial for the Company as it allows the Company to approve the above issue of securities and retain the flexibility to issue further securities representing up to 25% (subject to approval of Resolutions 3, 4, 7, 8 and 11) of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommends Shareholders vote in favour of Resolution 5.

8. RESOLUTION 6 – CHANGE OF ACTIVITIES

8.1 Background

Resolution 6 seeks Shareholder approval pursuant to Listing Rule 11.1.2, for the change to the scale of the activities of the Company as a result of the proposed Merger.

As outlined in section 5.3 of this Explanatory Statement, the Company has entered into a binding Heads of Agreement to acquire all the shares in Simba. A detailed summary of the proposed Merger is set out in section 5 of this Explanatory Statement.

8.2 Regulatory Requirements

Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable. Listing Rule 11.1.2 provides that, if ASX requires, the entity must get the approval of shareholders and must comply with any requirements of ASX in relation to the Notice of Meeting.

The Company has advised the ASX of the proposed change to the scale of its activities. The Company is also seeking shareholder approval for the Merger, as, aside from the obligations under the Heads of Agreement, both the boards of the Company and Simba consider this to be appropriate as a matter of good corporate governance and Shareholder engagement.

Accordingly, Resolution 6 seeks Shareholder approval for the Merger under Listing Rule 11.1.2.

The ASX has advised the Company that the change to the Company's activities does not require the Company to re-comply with the admission requirements set out in Chapters 1 and 2 of the Listing Rules in accordance with ASX Listing Rule 11.1.3.

8.3 Recommendation of directors

The Board unanimously recommends that Shareholders vote in favour of Resolution 6 as the Board considers that the proposed Merger is in the best interests of the Company and its Shareholders as a whole.

9. RESOLUTION 7 – APPROVAL OF ISSUE OF SHARES TO THE VENDORS

9.1 Background

As outlined in section 5.3 of this Explanatory Statement, the Company has agreed to acquire all of the Simba Shares from the Vendors.

The total consideration to be paid to the Vendors in their respective proportions for the shares in Simba is 77,420,190 Shares, on the basis of 2 Shares for each Simba Share (being 38,710,095 Simba Shares in total including 2,100,000 Simba Shares which are to be issued to Currie Rose Resources Inc after execution of the Heads of Agreement).

Resolution 7 seeks Shareholder approval for the issue of the 77,420,190 Shares to the Vendors in their respect proportions.

9.2 Regulatory Requirements

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

In compliance with the information requirements of Listing Rules 7.3 (for the purposes of approval under Listing Rule 7.1), Shareholders are advised of the following information:

(a) ***Maximum number of securities to be issued***

Under Resolution 7, the Company seeks from Shareholders approval for, the issue of a maximum of 77,420,190 Shares.

(b) ***The date by which the entity will issue the securities***

The securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules). The securities will be issued on one date and not on successive

dates.

(c) ***The issue price of the securities***

The Shares are to be issued in consideration for the acquisition by the Company of all of the Simba Shares on issue on the basis of 2 Shares for each Simba Share.

(d) ***Persons to whom the securities are to be issued to***

The Shares will be issued to the Vendors.

The Vendors will not be related parties of the Company (or associates of such persons) at the time of issue of the Shares, other than by reason of the Merger. The Company is relying upon exception 6 in Listing Rule 10.12 for not seeking separate Shareholder approval for the issue of securities to a related party.

(e) ***Terms of the securities***

The Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares. The Company has applied to ASX for official quotation of the Shares, which has been granted.

The Shares are to be issued on the terms set out in Annexure A.

(f) ***The intended use of the funds raised***

No funds will be raised as a result of the issue, as the Shares are being issued in consideration for all of the issued capital of Simba.

(g) ***Voting exclusion statement***

A voting exclusion statement for Resolution 7 is included in the Notice preceding this Explanatory Statement.

9.3 Recommendation of Directors

The Board believes that the approval of this issue is beneficial for the Company as it allows the Company to approve the above issue of securities in order to effect the Merger and retain the flexibility to issue further securities representing up to 25% (subject to approval of Resolutions 3, 4, 5, 8 and 11) of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommends Shareholders vote in favour of Resolution 7.

10. RESOLUTION 8 – APPROVAL OF ISSUE OF SHARES TO EQUITY WEST

10.1 Background

On Completion, the Company and Equity West will enter into a mandate under which Equity West will provide investor relations services to the Company. Equity West has played a key role in bringing about the Merger and as such the Company wishes to engage Equity West as its investor relations services advisor in the short term.

The Company will accordingly enter into a mandate with Equity West on Completion which will require the Company to pay (amongst other amounts which will be payable to Equity West by the Company following capital raisings by the Company), a \$5,000 per month investor relations services fee for a minimum period of 12 months after Completion to be paid 50% in cash and 50% in Shares at the five day volume weighted average price of Shares prior to their issue.

Resolution 8 seeks shareholder approval for the issue of the Shares to be issued to Equity West under the mandate.

10.2 Regulatory Requirements

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity

Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

In compliance with the information requirements of Listing Rules 7.3 (for the purposes of approval under Listing Rule 7.1), Shareholders are advised of the following information:

(a) ***Maximum number of securities to be issued***

Under Resolution 8, the Company seeks from Shareholders approval for, the issue of Shares up to \$2,500 to be issued at the five day trading VWAP, to be issued each month for the 12 months following Completion.

(b) ***The date by which the entity will issue the securities***

The Company will seek a waiver from the ASX in respect of the requirement for the securities to be issued no later than 3 months after the date of the Meeting, as the securities will be issued monthly for 12 months following Completion.

(c) ***The issue price of the securities***

The Shares are to be issued at the five day trading VWAP.

(d) ***Persons to whom the securities are to be issued to***

The Shares will be issued to Equity West.

Equity West will not be a related party of the Company (or associates of such persons) at the time of issue of the Shares.

(e) ***Terms of the securities***

The Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares. The Company will apply to ASX for official quotation of the Shares.

The Shares are to be issued on the terms set out in Annexure A.

(f) ***The intended use of the funds raised***

No funds will be raised as a result of the issue, as the Shares are being issued in consideration for Equity West providing investor relations services to the Company.

(g) ***Voting exclusion statement***

A voting exclusion statement for Resolution 8 is included in the Notice preceding this Explanatory Statement.

10.3 Recommendation of Directors

The Board believes that the approval of this issue is beneficial for the Company as it allows the Company to approve the above issue of securities and retain the flexibility to issue further securities representing up to 25% (subject to approval of Resolutions 3, 4, 5, 7 and 11) of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommends Shareholders vote in favour of Resolution 8.

11. RESOLUTIONS 9 AND 10 – ELECTION OF DIRECTORS – MESSRS JOHN STOCKLEY AND ALLEN LAFFERTY

11.1 Background

The Heads of Agreement is conditional on Shareholders approving the appointment as directors of the Company of Messrs Stockley and Lafferty as nominees of Simba, on and subject to Completion.

Clause 11.10 of the Constitution provides that a person may be elected to the office of Director at a general meeting as an addition to the existing Directors, provided the total

number does exceed the maximum number of Directors of the Company, being a maximum of 10.

Resolutions 9 and 10 seek the approval for the election of Messrs Stockley and Lafferty as Directors of the Company, with effect from Completion of the Merger.

Mr Stockley is a geologist with more than 30 years experience in mineral exploration and mining worldwide and has maintained an active geological consultancy, Lyndhurst Enterprises Pty Ltd, for the past 18 years in Australia and overseas. Mr Stockley was the founding director of two ASX Listed companies; Mt Magnet South NL and Naracoota Resources Limited. Mr Stockley has extensive experience in Africa including copper mining in Zambia, mineral exploration in West Africa, gold discoveries in East Africa, for example the New Luika gold operation in Tanzania and in Argentina, the Esquel gold camp in Chubut Province. Mr Stockley is a Chartered Professional and Fellow of the A.I.M.M and member of the Society of Economic Geology.

Mr Lafferty is a Chartered Accountant and senior partner of SLS Accounting with over 30 years experience in public practice. Mr Lafferty has assisted clients across a broad range of industries including mining, healthcare, technology and general business. Mr Lafferty has acted as Company Secretary for listed and unlisted public companies including Mt Gibson Iron Ore Limited for several years prior to listing and Director of Medic Vision Ltd.

11.2 Recommendation of Directors

The Board considers that the appointment of Messrs Stockley and Lafferty to the Board is beneficial to the Company as they will bring country-specific management experience to the Board on Completion of the Merger. As such, the Board unanimously recommends that Shareholders vote in favour of Resolutions 9 and 10.

12. RESOLUTION 11 – APPROVAL OF SECURITIES ISSUE – CAPITAL RAISING

12.1 Background

Resolution 11 seeks Shareholder approval for the issue of Shares of up to \$1,000,000 in value (issued at no less than 80% of the 5 trading day VWAP) under a future capital raising which may be accompanied by a share purchase plan. The share purchase plan is not subject to Shareholder approval.

12.2 Regulatory Requirements

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

In compliance with the information requirements of Listing Rules 7.3 (for the purposes of approval under Listing Rule 7.1), Shareholders are advised of the following information:

(a) ***Maximum number of securities to be issued***

Under Resolution 11, the Company seeks from Shareholders approval for, the issue of a maximum of Shares of up to \$1,000,000 in value.

(b) ***The date by which the entity will issue the securities***

The securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules). The securities will be issued on one date and not on successive dates.

(c) ***The issue price of the securities***

The Shares are to be issued at the price which is no less than 80% of the 5 trading day VWAP before the date of issue of the Shares.

(d) ***Persons to whom the securities are to be issued to***

The Shares will be issued to sophisticated and professional investors (as those terms are defined in section 708 of the Corporations Act) or other investors under section 708 of the Corporations Act.

The investors will not be related parties of the Company (or associates of such persons) at the time of issue of the Shares.

(e) ***Terms of the securities***

The Shares are to be issued on the same terms as ordinary shares and will rank pari passu with existing ordinary shares in the Company.

(f) ***The intended use of the funds raised***

The Shares are to be issued in order to raise funds for the exploration and development of the Company's projects in Argentina and Tanzania. In particular, the additional funds raised will be used for acquisition of regional aeromagnetics and drilling of gold targets in Tanzania and in Argentina, for extension of previous ground geophysics and further drilling of the Las Leñas target, further mapping, sampling and ground geophysics at Amiches, and to meet tenement acquisition costs and additional working capital.

(g) ***Voting exclusion statement***

A voting exclusion statement for Resolution 11 is included in the Notice preceding this Explanatory Statement.

12.3 Recommendation of directors

The Board believes that the approval of this issue is beneficial for the Company as it allows the Company to approve the above issue of securities and retain the flexibility to issue further securities representing up to 25% (subject to approval of Resolutions 3, 4, 5, 7 and 8) of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommends Shareholders vote in favour of Resolution 11.

GLOSSARY

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

Additional 10% Placement Facility	has the meaning given to that term in section of 4.1 of the Explanatory Statement.
Annexure	an annexure to this Notice of Annual General Meeting.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited.
Board	the Company's board of Directors.
Chairman	chairman of the Annual General Meeting.
Company	Argentina Mining Limited ACN 141 940 230.
Company Secretary	the company secretary of the Company, Mr John Arbuckle.
Completion	has the meaning given to that term in section 5.6 of the Explanatory Statement.
Constitution	constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	director of the Company.
Director's Report	the annual directors' report of the Company.
Equity Securities	has the meaning given to that term in the Listing Rules.
Equity West	Equity West Securities Pty Ltd ACN 085 644 999.
Explanatory Statement	the explanatory statement that accompanies this Notice of Annual General Meeting.
Heads of Agreement	has the meaning given to that term in section 5.1 of the Explanatory Statement.
Independence Group	Independence Group NL ACN 092 786 304.
Interim Loan	has the meaning given to that term in section 5.4 of the Explanatory Statement.
Key Management Personnel	key management personnel of the Company (as defined in Section 9 of the Corporations Act).
Listing Rules or ASX Listing Rules	listing rules of the ASX.
March 2013 Placement	has the meaning given to that term in section 6.1 of the Explanatory Statement.

Meeting or Annual General Meeting	the annual general meeting convened by this Notice of Annual General Meeting.
Merger	has the meaning given to that term in section 5.1 of the Explanatory Statement.
Notice or Notice of Annual General Meeting or Notice of Meeting	this notice of Annual General Meeting.
Option	option to subscribe for a Share.
Placement	has the meaning given to that term in section 5.4 of the Explanatory Statement.
Proxy Form	the proxy form enclosed with this Notice of Annual General Meeting.
Remuneration Report	the Company's remuneration report for the year ended 30 June 2013.
Resolution	a resolution in the Notice.
Share	fully paid ordinary share in the capital of the Company.
Shareholder	holder of a Share or Option in the Company.
Simba	Simba Minerals Ltd ACN 149 412 331.
Simba Share	fully paid ordinary share in the capital of Simba.
Subscription and Alliance Agreement	The Subscription and Alliance Agreement dated 24 January 2011 (as amended) between the Company and Independence Group.
Vendors	has the meaning given to that term in section 5.3 of the Explanatory Statement.
VWAP	volume weighted average price.
WST	Australian Western Standard Time.

ANNEXURE A – TERMS OF SHARES

The following is a summary of the rights and liabilities attaching to the Shares as detailed in the Company's Constitution and their terms of issue. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Shares. A copy of the Company's Constitution is lodged with the ASX and may be obtained from the ASX website.

Share capital

All issued Shares rank equally in all respects.

Voting rights

At a general meeting of the Company, every Shareholder present in person, by an attorney, representative or proxy, has one vote on a show of hands and on a poll, one vote for every Share held, and for every partly paid Share held, a fraction of a vote equal to the proportion which the amount paid up bears to the total issue price of the contributing ordinary Share. Where there is an equality of votes, the chairperson has a casting vote.

Dividend rights

Subject to the rights of holders of Shares issued with any special or preferential rights (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend, are divisible among the Shareholders in proportion to the Shares held by them respectively, according to the amount paid up or credited as paid on the Shares.

Rights on winding-up

Subject to the rights of holders of Shares with special rights in a winding-up (at present there are none), on a winding-up of the Company, all assets which may be legally distributed amongst the members will be distributed in proportion to the Shares held by them irrespective of the amount paid up or credited as paid up on the Share.

Transfer of Shares

Shares may be transferred by instrument in any form which complies with the Company's Constitution, the Corporations Act, ASX Listing Rules and the ASX Settlement Operating Rules. Shares may be transferred in accordance with ASX Listing Rules and the ASX Settlement Operating Rules. The Directors may refuse to register a transfer of Shares only in those circumstances permitted by the Company's Constitution, ASX Listing Rules and the ASX Settlement Operating Rules.

Calls on Shares

Where Shares are issued as partly paid, the Directors may make calls upon the holders of those Shares to pay the whole of or a portion of the balance of the issue price. If a Shareholder fails to pay a call or instalment of a call, then subject to the Corporations Act and ASX Listing Rules, the Shares the subject of the call may be forfeited and interest and expenses may be payable in accordance with the Company's Constitution, the Corporations Act and ASX Listing Rules or proceedings taken to recover the amount unpaid.

Further increases in capital

The allotment and issue of any new Shares is under the control of the Directors and, subject to any restrictions on the allotment of Shares imposed by the Company's Constitution, ASX Listing Rules or the Corporations Act, the Directors may allot, issue or grant options over or otherwise dispose of

those Shares to such persons, with such rights or restrictions as they may from time to time determine.

Variation of rights attaching to Shares

If at any time the issued Shares are divided into different classes, the rights attaching to the Shares of a class (unless otherwise provided by their terms of issue) may only be varied or abrogated with either:

- (a) the consent in writing of the holders of 75% of the issue Shares of the class affected; or
- (b) the sanction of a special resolution passed at a separate meeting of the holders of Shares of that class.

The rights attached to a class of Shares are not taken to be varied by the issue of further Shares of that class on identical terms, unless the terms of issue of that class of Shares expressly provide otherwise.

General meeting

Each Shareholder will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Company's Constitution, the Corporations Act and ASX Listing Rules.

ANNEXURE B – TERMS OF INTERIM LOAN

- (a) **(Loan):** The lenders have agreed to make available to the Company an interest free unsecured loan facility of \$225,000.
- (b) **(Shareholder approval):** The loan amount will be held in trust until the required Shareholder approval in respect of the Merger and conversion of the Interim Loan is obtained. The Company must seek to obtain Shareholder approval by no later than 18 December 2013. If Shareholder approval is received, the loan amount will be immediately released from trust to the Company.
- (c) **(Conversion):** the Interim Loan will automatically convert into Shares within one Business Day of the loan amount being released from trust to the Company. The number of Shares which each of the lenders under the Interim Loan will receive on conversion, will be calculated by dividing the outstanding amount being converted under the Interim Loan by \$0.01. The total amount raised by the Company under the Placement will be reduced to the extent any amounts lent under the Interim Loan are converted into Shares on Completion.
- (d) **(Repayment):** if the Company does not obtain Shareholder approval by 18 December 2013, the Company must immediately repay the Interim Loan to the lenders.

**ANNEXURE C- UNAUDITED PRO-FORMA STATEMENT OF FINANCIAL
POSITION AS AT 30 JUNE 2013**

	\$
ASSETS	
Current Assets	
Cash and cash equivalents	612,554
Trade and other receivables	<u>117,568</u>
Total Current Assets	<u>730,122</u>
Non-Current Assets	
Exploration and evaluation	2,810,617
Property, plant and equipment	155,377
Other financial assets	<u>855</u>
Total Non-Current Assets	<u>2,966,809</u>
TOTAL ASSETS	<u>3,696,971</u>
LIABILITIES	
Current Liabilities	
Trade and other payables	<u>145,065</u>
Total Current Liabilities	<u>145,065</u>
TOTAL LIABILITIES	<u>145,065</u>
NET ASSETS	<u>3,551,906</u>
EQUITY	
Contributed equity	10,873,637
Reserves	32,598
Accumulated losses	<u>(7,354,329)</u>
TOTAL EQUITY	<u>3,551,906</u>

PROXY FORM

APPOINTMENT OF PROXY – ARGENTINA MINING LIMITED ACN 141 940 230

ANNUAL GENERAL MEETING

I/We

of

being a Shareholder entitled to attend and vote at the Meeting, hereby

appoint

Name of proxy

OR the Chair as my/our proxy

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10.00am (WST), on Monday, 16 December 2013 at The Celtic Club, 48 Ord Street, West Perth, Western Australia 6005, and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Voting on business of the Meeting

FOR AGAINST ABSTAIN

Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Mr Douglas Bright	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Ratification of prior issue of Shares – March 2013 Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Approval of issue of Shares - Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Change to activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Approval of issue of Shares to Vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Approval of issue of Shares to Equity West	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Election of Director – Mr John Stockley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 – Election of Director – Mr Allen Lafferty	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11 – Approval of securities issue – capital raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Important for Resolution 1

If you have not directed your proxy how to vote as your proxy in respect of Resolution 1 and the Chair is, or may by default be, appointed your proxy, you must mark the box below.

I/we direct the Chair to vote in accordance with his/her voting intentions (as set out above) on Resolution 1 (except where I/we have indicated a different voting intention above) and expressly authorise that the Chair may exercise my/our proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel and acknowledge that the Chair may exercise my/our proxy even if the Chair has an interest in the outcome of Resolution 1 and that votes cast by the Chair for Resolution 1 other than as proxy holder, will be disregarded because of that interest.

If the Chair is, or may by default be, appointed your proxy and you do not mark this box and you have not directed the Chair how to vote, the Chair will not cast your votes on Resolutions 1 and your votes will not be counted in calculating the required majority if a poll is called on Resolution 1.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____ %

Signature of Shareholder(s):

Date: _____

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

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CERTIFICATE OF APPOINTMENT OF CORPORATE REPRESENTATIVE

Shareholder Details

This is to certify that by a resolution of the directors of:

..... (*Company*),
Insert name of Shareholder Company

the Company has appointed:

.....,
Insert name of corporate representative

in accordance with the provisions of section 250D of the Corporations Act 2001, to act as the body corporate representative of that Company at the annual general meeting of the members of Argentina Mining Limited to be held on Monday, 16 December 2013 commencing at 10.00am (WST) and at any adjournments of that annual general meeting.

DATED 2013

Please sign here

Executed by the Company)
in accordance with its constituent)
documents)

.....
.....
Signed by authorised representative

.....
.....
Signed by authorised representative

.....
.....
Name of authorised representative (print)

.....
.....
Name of authorised representative (print)

.....
.....
Position of authorised representative (print)

.....
.....
Position of authorised representative (print)

Instructions for Completion

- Insert name of appointing Shareholder Company and the name or position of the appointee corporate representative (eg "John Smith" or "each director of the Company").
- Execute the Certificate following the procedure required by your Constitution or other constituent documents.
- Print the name and position (eg director) of each authorised company officer who signs this Certificate on behalf of the Company.
- Insert the date of execution where indicated.
- Prior to the Meeting, send or deliver the Certificate to the registered office of Argentina Mining Limited at Suite 6, 25 Walters Drive, Herdsman Business Park, Osborne Park, WA 6017, or by facsimile to + 61 8 9244 7273, or by email to info@argentinamining.com.au.

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