



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

Notice of Adjourned Extraordinary General Meeting and Explanatory Statement

23 February 2012

As announced on 6 February 2012, the Extraordinary General Meeting (EGM) that was requisitioned by the Wang Group was adjourned by the Chairman of the meeting in accordance with Rule 39.1(a) of Altius' Constitution.

The EGM has been adjourned until **11:00am on 8 March 2012** and will be held at the RACV Club, 501 Bourke Street, Melbourne.

A copy of the Notice of Meeting is enclosed for your reference. Please be advised that Resolutions 8, 9, 11 and 12 have been withdrawn on the basis that the individuals the subject of those resolutions are no longer Directors of the Company.

Please also be advised the dates for determining voting entitlements and the lodgement of proxies within the enclosed notice have now changed and in accordance with Part 7.11 of the Corporations Act Regulations, shares will be taken to be held by those persons recorded on the register at 7:00pm (AEDT) on Tuesday 6 March 2012. To be effective, proxy forms must be received by the Company's registry by no later than 11:00am (AEDT) on Tuesday 6 March 2012.

Valid proxy forms submitted for the EGM as originally scheduled will remain valid unless revoked by the shareholder submitting a new proxy form or attending and voting at the Adjourned EGM on Thursday 8 March 2012.

For the reasons set out in the announcement dated 16 January 2012, the Directors of Altius unanimously recommend that you vote **against** all of the EGM Resolutions.

Yours faithfully,

Mr Joe Fekete
Company Secretary

Altius Mining Limited | ABN 35 126 540 547
Level 3, 521 Toorak Road, Toorak VIC 3142 Australia | PO Box 473 Toorak VIC 3142

ph +61 1 300 136 453 | fax +61 1 300 232 784 | www.altiusmining.com.au

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Notice of extraordinary general meeting and explanatory statement

Altius Mining Limited ACN 126 540 547

Date: Monday, 6 February 2012

Time: 9:00am

Location: Level 23, South Tower, 525 Collins Street, Melbourne Victoria

Action required by Shareholders

Step 1: Read the Notice of Meeting and the Explanatory Statement.

Step 2: Vote on the resolutions.

Your vote is important. You may vote by:

- attending and voting at the Meeting, or
- completing and returning the enclosed proxy form so as to be received by the address specified on the enclosed proxy form by no later than 9:00am (Melbourne time) on **4 February 2012**.

This extraordinary general meeting is being convened pursuant to section 249F of the *Corporations Act 2001* (Cth) by shareholders of Altius Mining Limited with at least 5% of the votes that may be cast at a general meeting of the company.

This notice of meeting and the explanatory statement should be read in its entirety. If shareholders of Altius Mining Limited are in doubt as to how to vote, they should seek advice from their legal, investment or other professional adviser.

Key dates

Date of this Notice of Meeting and Explanatory Statement	6 January 2012
Latest time and date for lodgement of completed proxy form for the Meeting	9:00am (Melbourne time), on 4 February 2012
Time and date for determining eligibility to vote at the Meeting	7:00pm (Melbourne time), on 4 February 2012
Time and date of the Meeting	9:00am (Melbourne time), on 6 February 2012

Important notices

General

The Notice of Meeting and Explanatory Statement are dated 6 January 2012.

This document is important. You should read it in its entirety before making a decision on how to vote on the Resolutions to be considered at the Meeting. A proxy form for the Meeting is enclosed. If you are in doubt as to what you should do, you should consult your legal, investment or other professional adviser.

This meeting has been convened by Xiao Jing Wang, in his own capacity and together with W Y Australia Investment Pty Ltd ACN 151 177 294 and Ever Resources Pty Ltd ACN 151 479 800 (in respect of each of which Xiao Jing Wang is a director), pursuant to section 249F of the Corporations Act at their own expense.

This Notice of Meeting and Explanatory Statement have been prepared for the information of Shareholders in the Company to enable them to make an informed decision on the resolutions to be considered at the Meeting. Neither the Notice of Meeting or the Explanatory Statement should be distributed, nor should their contents be communicated, to any person other than a Shareholder. Xiao Jing Wang and the Proposed Directors accepts no responsibility for the further publication or distribution of such documents in any other form.

Defined terms

Capitalised terms in the Notice of Meeting and Explanatory Statement are defined either in the Glossary in section 6 of the Explanatory Statement or where the relevant term is first used.

No financial product or investment advice

This document is not financial product or investment advice nor a recommendation in respect of the Company's Shares. It has been prepared without taking into account the objectives, financial situation or needs of Shareholders or other persons. Before deciding how to vote or act Shareholders and others should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances.

Altius Mining Limited ACN 126 540 547

Notice of General Meeting

Notice is given that a General Meeting of Shareholders of the Company will be held at Level 23, South Tower, 525 Collins Street, Melbourne, Victoria, 3000 on Monday, 6 February 2012, commencing at 9am.

1. Agenda

To consider and, if thought fit, pass, with or without amendment, the following Resolution as ordinary resolutions:

1.1 Resolution 1 – Election of Ian Cunynghame Daymond as Director

"That Ian Cunynghame Daymond, having consented to his nomination as director of the Company, be appointed as director of the Company, with effect from closure of the meeting."

1.2 Resolution 2 – Election of Wilson Cheung as Director

"That Wilson Cheung, having consented to his nomination as director of the Company, be appointed as director of the Company, with effect from closure of the meeting."

1.3 Resolution 3 – Election of Jun Wang as Director

"That Jun Wang, having consented to his nomination as director of the Company, be appointed as director of the Company, with effect from closure of the meeting."

1.4 Resolution 4 – Election of Alan Robert Fraser as Director

"That Alan Robert Fraser, having consented to his nomination as director of the Company, be appointed as director of the Company, with effect from closure of the meeting."

1.5 Resolution 5 – Election of Michael Tan Kiah Teck as Director

"That Michael Tan Kiah Teck, having consented to his nomination as director of the Company, be appointed as director of the Company, with effect from closure of the meeting."

1.6 Resolution 6 – Election of Xiao Jing Wang as Director

"That Xiao Jing Wang, having consented to his nomination as director of the Company, be appointed as director of the Company, with effect from closure of the meeting."

1.7 Resolution 7 – Removal of Alexander King as Director

"That in accordance with clause 57.1 of the Constitution and for all other purposes, Alexander King be and is hereby removed from office as a director of the Company, with effect from closure of the meeting."

1.8 Resolution 8 – Removal of Robert Marshall McLennan as Director

"That in accordance with clause 57.1 of the Constitution and for all other purposes, Robert Marshall McLennan be and is hereby removed from office as a director of the Company, with effect from closure of the meeting."

1.9 Resolution 9 – Removal of Jannie Siew Lee Chan as Director

"That in accordance with clause 57.1 of the Constitution and for all other purposes, Jannie Siew Lee Chan be and is hereby removed from office as a director of the Company, with effect from closure of the meeting."

1.10 Resolution 10 – Removal of Joe Fekete as Director

"That in accordance with clause 57.1 of the Constitution and for all other purposes, Joe Fekete be and is hereby removed from office as a director of the Company, with effect from closure of the meeting."

1.11 Resolution 11 – Removal of Ross Mack as Director

"That in accordance with clause 57.1 of the Constitution and for all other purposes, Ross Mack be and is hereby removed from office as a director of the Company, with effect from closure of the meeting."

1.12 Resolution 12 – Removal of Boyd Pratt as Director

"That in accordance with clause 57.1 of the Constitution and for all other purposes, Boyd Pratt be and is hereby removed from office as a director of the Company, with effect from closure of the meeting."

1.13 Resolution 13 - Removal of other Director(s) appointed after the date of this Notice of Meeting

"That each person appointed as a director of the Company on or after the date of calling of this meeting of the Company pursuant to Section 249F Corporation Act 2001 and prior to the closure of this meeting (not including any person appointed pursuant to Resolutions 1 to 6 of this notice of general meeting) be and is hereby removed from office as a director of the Company, with effect from closure of the meeting."

1.14 Resolution 14 – Increase the maximum number of Directors

"That in accordance with clause 55.1 of the Constitution and for all other purposes, the maximum number of directors of the Company be increased to 12."

2. Convening of Meeting

The General Meeting has been convened by Xiao Jing Wang, in his own capacity and together with W Y Australia Investment Pty Ltd and Ever Resources Pty Ltd (in respect of each of which Xiao Jing Wang is a director), pursuant to section 249F of the Corporations Act, at their own expense.

As at the date of this Notice of General Meeting, Xiao Jing Wang is a Shareholder and currently holds approximately 8,918,738 Shares in a personal capacity, representing approximately 3.4% of the issued share capital of the Company. Together with W Y Australia Investment Pty Ltd and Ever Resources Pty Ltd (in respect of each of which Xiao Jing Wang is a director), Xiao Jing Wang holds, in aggregate, approximately 18.9% of the issued share capital of the Company.

The General Meeting is being convened to consider the Resolutions for the election of a number of persons as Directors, and for the removal of the existing Directors. If each of the Resolutions are passed by the requisite majorities, the Proposed Directors intend to undertake a comprehensive strategic review of the Company's operations, to enable appropriate operating and management decisions relating to the Company to be made for the benefit of all Shareholders.

The Proposed Directors hold genuine concerns regarding the current performance of the Company.

The Proposed Directors believe that the Company has the capacity to generate significant Shareholder value if it is effectively and appropriately managed by the Proposed Directors, who are qualified and experienced Directors with a passion for the Company's business.

3. Voting entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Convening Shareholder has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at 7pm, 4 February 2012. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the General Meeting.

4. Section 249F of the Corporations Act

Section 249F of the Corporations Act allows members with at least 5% of the votes that may be cast at a general meeting to call and arrange to hold a general meeting of a company, at those members' expense.

Xiao Jing Wang is a Shareholder and currently holds approximately 8,918,738 Shares in a personal capacity, representing approximately 3.4% of the issued share capital of the Company. Together with his associated entities W Y Australia Investment Pty Ltd and Ever Resources Pty Ltd (in respect of each of which Xiao Jing Wang is a director), Xiao Jing Wang holds, in aggregate, approximately 18.9% of the issued share capital of the Company.

Xiao Jing Wang, in his own capacity and together with his associated entities W Y Australia Investment Pty Ltd and Ever Resources Pty Ltd (in respect of each of which Xiao Jing Wang is a director), has called and will arrange to hold the General Meeting pursuant to section 249F at his own expense.

5. Quorum

The Constitution provides that a quorum for a general meeting of Shareholders is 2 Shareholders holding not less than 5% of the votes that may be cast at a general meeting.

6. Majority required for the Resolutions to be passed

All Resolutions will be passed if at least 50% of the votes cast on each Resolution (either in person, proxy, attorney or by corporate representative) are in favour of each Resolution.

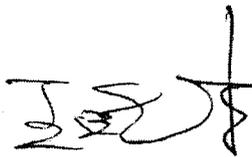
7. Proxies

- (a) Any Shareholder entitled to attend and vote is entitled to appoint not more than two proxies to attend and vote on their behalf. The person or persons so appointed need not necessarily be Shareholders.

- (b) Where two proxies are appointed, each proxy should be appointed to represent a specified portion or number of the Shareholder's voting rights (failing which each appointee will be entitled to cast half the Shareholder's votes).
- (c) A proxy form is enclosed. Please ensure that your proxy instructions are received not later than 9:00am (Melbourne time) on 4 February 2012 at:
- (i) **Mail:** Computershare Investor Services Pty Limited, GPO Box 242 Melbourne, Victoria 3001 Australia;
 - (ii) **Fax:** (within Australia) 1800 783 447 (outside Australia) +61 3 9473 2555; or
 - (iii) **By hand:** Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria.
- (d) A body corporate member may elect to appoint a representative, rather than appoint a proxy, in accordance with section 250D of the Corporations Act. Where a body corporate appoints a representative, the Company requires written proof of the representative's appointment to be lodged with or presented to the Company before the General Meeting.
- (e) If you return your proxy form and direct your votes but do not nominate a representative, the Chairman may be your proxy and will vote on your behalf as you direct on the proxy form. If your nominated representative does not attend the General Meeting then your proxy will revert to the Chairman or one or more of the Directors or the company secretary, who will vote on your behalf as you direct on the proxy form. If a proxy is not directed on how to vote on an item of business or Resolution, the proxy (including, if applicable, the Chairman) may vote, or abstain from voting, as they think fit.

IMPORTANT: You should note that in the absence of you specifying a proxy, your proxy may be the Chairman who will cast your vote on the resolutions (for which you have not given a direction) at his or her discretion. If you wish to vote in favour of the resolutions, please ensure that you either specifically nominate Xiao Jing Wang as your proxy to vote in favour of all the resolutions, or direct your nominated proxy to cast all proxy votes in favour of the resolutions, or direct the Chairman to vote in favour of the resolutions.

Dated: 6 January 2012



Executed by Xiao Jing Wang on his own behalf and in his capacity as a Director and authorised officer of W Y Australia Investment Pty Ltd and Ever Resources Pty Ltd, in accordance with section 249F of the Corporations Act.

Explanatory Statement

1. Introduction

The Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the General Meeting to be held at Level 23, South Tower, 525 Collins Street, Melbourne, Victoria, 3000 on 6 February 2012, commencing at 9am.

The purpose of this Explanatory Statement is to provide the Shareholders with information which is material to a decision on how to vote on the Resolutions.

This Explanatory Statement should be read in conjunction with the Notice of Meeting. Capitalised terms in the Explanatory Statement are defined in the Glossary.

2. Purpose of the General Meeting

The General Meeting is being called to put to Shareholders various Resolutions for the election of a number of persons as Directors, and for the removal of the existing Directors.

The election of the various persons as Directors is sought as Xiao Jing Wang believes that these people have the relevant qualifications and experience to deliver value to all Shareholders in the future.

The removal of the current Directors is sought on the basis of a lack of performance by the Company, which has been reflected in the poor share price performance of the Company since its admission to the official list of the ASX on 14 September 2011 and official quotation of the Shares from 19 September 2011.

Since listing on the ASX on 14 September 2011, the Company's Share price has dropped from the listing price of \$0.20 per Share to a recent low of \$0.069 per Share on 2 November 2011. It is the view of Xiao Jing Wang that the Current Directors have failed to demonstrate that they have the ability to successfully lead, operate and grow the Company's business.

The election of Proposed Directors and the removal of the current Directors offers the Company an opportunity for a change of leadership.

If each of the Resolutions are passed by the requisite majorities, the Proposed Directors intend to undertake a strategic review of the Company's operations, to enable appropriate operating and management decisions relating to the Company to be made for the benefit of all Shareholders. The Proposed Directors hold genuine concerns regarding the current performance of the Company.

The Resolutions may not affect any executive contracts which are in place as at the date of this Notice of Meeting, however, if the Resolutions are passed by the requisite majorities, the Proposed Directors intend to undertake a thorough review of any executive contracts and arrangements which have previously been entered into by the Company.

3. Resolutions 1 to 6 (inclusive) – Election of Directors

Resolutions 1 to 6 seeks Shareholder approval to elect:

- Ian Cunynghame Daymond;
- Wilson Cheung;
- Jun Wang;
- Alan Robert Fraser;
- Michael Tan Kiah Teck; and
- Xiao Jing Wang,

(together, the **Proposed Directors**) as directors of the Company, with effect on and from the close of the General Meeting. Xiao Jing Wang has proposed Resolutions 1 to 6 on the basis that he considers that it is in the best interests of all Shareholders that the Proposed Directors are appointed, as they have the qualifications, experience and drive necessary to deliver Shareholder value.

Each of the Proposed Directors has significant relevant qualifications and experience, and between them, a proven track record in implementing major organisational and financial changes and building and rebuilding profitable companies and organisations.

The Proposed Directors have a strong view that the Company's assets and business are capable of being operated in a way which delivers value to all Shareholders. They believe that the Company has the capacity to generate significant Shareholder value if effectively and appropriately managed by well qualified and experienced Directors with a passion for the Company's business.

Xiao Jing Wang has viewed the Company's performance with increasing concern. Xiao Jing Wang believes that it is in the best interests of all Shareholders that the existing Directors be removed and replaced with the Proposed Directors, who have a proven and demonstrable track record of management success.

Set out below is a brief summary of each of the Proposed Directors' relevant qualifications and experience.

Ian Daymond

Mr Ian Daymond worked with Allen Allen & Hemsley, Morgan Grenfell Australia Ltd, Western Mining Corporation Ltd, Minter Simpson & Co and Hunter Resources Ltd before joining Delta Gold Ltd as general counsel and company secretary in 1989 where he was part of the senior management team responsible for growing the company into the fourth largest Australian gold producer.

After leaving Delta Gold in 2001, Ian established his own legal practice in mining and resources and remains active with many junior mining and exploration companies.

He joined the Australia-Southern Africa Business Council (now called Australia-Africa Business Council) in 1995 and served as national chairman between 2002 and 2005. Ian serves as Honorary Consul for the Republic of Botswana in NSW, Australia having been appointed to that consular role

in May 2007.

Ian is the non-executive chairman of the listed ActivEX Ltd and a non-executive director of Hill End Gold Ltd. He is also a director of several unlisted companies in the resources sector and is the former non-executive chairman of Eldore Mining Corporation Ltd and Copper Range Ltd and a former non-executive director of the unlisted International Base Metals Ltd. Ian was also a director of Altius Mining Limited from 1 December 2009 to 11 June 2010.

He holds Degrees in Arts and Laws from the University of Sydney and was admitted to the Supreme Court of NSW as a solicitor in 1974 and to the Supreme Court of Victoria as a solicitor in 1981.

Wilson Cheung

Mr Wilson Cheung is the Chairman and CEO of Dejin Resources Group Limited, a company listed on the main board of The Stock Exchange of Hong Kong Limited. He has over 15 years of experience in the field of audit, business development, corporate finance and financial management. He has worked in key corporate finance and business development positions in companies listed on the main board of The Stock Exchange of Hong Kong Limited.

Mr Cheung is a member of the Hong Kong Institute of Certified Public Accountants and Hong Kong Securities Institute. He holds a Master of Science degree in Financial Engineering from City University of Hong Kong and a Bachelor's degree in Arts and Administrative Studies from York University, Canada.

Jun Wang

Mr Jun Wang commenced his career as an electronic engineering with the Die & Mould Institute of Beijing. In January 2004, Mr Wang was appointed as the state manager for Credit Mortgage Pty Ltd in Victoria, being responsible for credit analysis, approval, settlement and post settlement processes for the Victorian branch.

From December 2004, Mr Wang was appointed as the chief executive officer of Credit Asset Management Limited and Credit Mortgage Pty Ltd, being responsible for the management of the company which provides a broad range of lending products and establishing relationships with some major banks.

Mr Wang holds a degree from the Beijing University of Aeronautics and Astronautics.

Alan Robert Fraser

Alan has been a Director of NuEnergy Capital Ltd, an ASX listed company, since 1992.

He has 30 years of experience in Australia and overseas on green fields mineral exploration, mine project management and mine construction. He has managed gold exploration projects through the stages of tenement acquisition, joint venture negotiation, obtaining regulatory approvals and the management of field exploration programs, at times in remote locations.

During his period as a director of NuEnergy Capital, the Heathcote Gold Mine operation in Victoria, in which NuEnergy Capital was a joint venture partner, was progressed through the regulatory approval, plant procurement, plant construction, commissioning stages and production. Since production ceased, the rehabilitation of the mine site has been managed by Mr Fraser. The Heathcote Mine produced in excess of 35,000 ounces of gold over its 3 year life.

Michael Tan Kiah Teck

Mr Michael Tan began his professional life as an engineer with Metal Box Ltd in the United Kingdom. After a period, he moved to the financial services industry in 1982. Mr Tan was from 2005 to early 2007 the Managing Director – Institutional Sales (Alternative Investments) of Union Bancaire Privee (Singapore) Limited. In 2005, he served as a Financial Advisor with Citigroup Wealth Advisors (Australia) Pty Ltd. Prior to that, he was the Managing Director of Prudential-Bache Securities Asia Pacific Ltd / Dryden Wealth Management (Singapore) Limited from 1995 to 2004.

Between 1983 and 1995, he held various senior management positions with Smith Barney HG Asia Securities Ltd and Drexel Burnham Lambert Securities Pte Ltd.

Mr Tan holds an MBA from Syracuse University, New York and First Class Honours Degree (Mechanical Engineering) from Imperial College, University of London.

Mr Tan is the Lead Independent Director of China Environment Ltd from 2008. He was also an Independent Director of Creative Master Bermuda Ltd from 2007 to 2008. Both companies are listed on the Singapore Exchange.

Xiao Jing Wang

Mr Xiao Jing Wang has extensive commercial and corporate experience, including the management of the Oriental Foundation International Automobile City, one of the projects approved by the Beijing Chaoyang District government. Its total investment exceeds 2 billion RMB, and includes 18 automobiles stores.

Mr Wang is also responsible for the management of Beijing Energetic Orient Outlets Factory Shop, with a building area of around 90,000 square meters, the outlet shop is a large

sale shopping centre complex offering numerous domestic and foreign brands.

Mr Wang also has extensive energy and resources experience, and holds interests in Zhouqu Chinese Electric Power Corporation, a hydroelectric power station producing 51,000 kilowatts of power and Gansu Zhongyuan Chinese Energy Source Investment Corporation, as well as interests in the Beisha Hongshan Mining Area and the Hougou Mining District.

4. Resolutions 7 to 13 (inclusive) – Removal of Directors

Resolutions 7 to 13 (inclusive) seek to remove the Current Directors:

- Alexander King;
- Robert Marshall McLennan
- Jannie Siew Lee Chan;
- Joe Fekete;
- Ross Mack;
- Boyd Pratt; and
- each other director appointed after the date of this Notice of Meeting,

as Directors (of the Company), with effect immediately following the General Meeting.

Xiao Jing Wang has proposed Resolutions 7 to 13 (inclusive) on the basis that he considers that it is in the best interests of all shareholders that the Current Directors be removed as Directors and replaced with the Proposed Directors, on the basis that the Current Directors have failed to demonstrate that they have the ability to successfully operate and grow the Company's business. Since listing on the ASX on 14 September 2011, the Company's Share price has dropped from the listing price of \$0.20 per Share to a recent low of \$0.069 per Share on 2 November 2011.

To the extent that any of the Current Directors are no longer a Director at the date of the General Meeting, the relevant Resolution seeking their removal will not be required.

Resolution 13 has been proposed to remove all Directors appointed by the Company after the date of this Notice of Meeting (if any). The Board demonstrated on 25 November 2011 that it may appoint Directors without seeking the prior approval of Shareholders. Mr Xiao Jing Wang views it as inappropriate for the Company to appoint any other Directors in light of the calling of the General Meeting.

5. Resolution 14 – Increase the maximum number of Directors

Resolution 14 has been proposed to increase the maximum number of Directors.

Under clause 55.2 of Constitution, the Company may have a maximum of 10 Directors (unless resolved otherwise in accordance with clause 55.1 of the Constitution). In the event that Resolutions 1 to 6 are approved by Shareholders, but one or more of Resolutions 7 to 13 are not approved by

Shareholders, there may be a possibility that there be more than 10 Directors at the closure of the General Meeting. To prevent a potential breach of clause 55.2 of the Constitution, Resolution 14 seeks the approval of Shareholders to increase the maximum number of Directors to 12 in accordance with clause 55.1 of the Constitution.

6. Glossary

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

ASX means the Australian Securities Exchange.

Board means the board of Directors of the Company from time to time.

Chairman means the chairman of the General Meeting.

Company means Altius Mining Limited ACN 126 540 547.

Constitution means the constitution of the Company as amended from time to time.

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

Current Directors means the directors of the Company as at the date of the Notice of Meeting and Explanatory Statement.

Director means a director of the Company from time to time.

Explanatory Statement means this Explanatory Statement that is annexed to and forms part of the Notice of Meeting.

General Meeting and **Meeting** means the extraordinary general meeting of the Shareholders of the Company to which the Notice of Meeting and Explanatory Statement relates.

Glossary means this glossary.

Notice of Meeting means the notice of meeting of the Company to which this Explanatory Statement relates.

Proposed Directors has the meaning given in section 3 of this Explanatory Statement.

Proxy Form means the proxy form accompanying, and to which the Notice of Meeting and this Explanatory Statement relate.

Resolutions means the resolutions that are set out in the Notice of Meeting and explained in the Explanatory Statement and **Resolution** means any one of the Resolutions.

Shareholder means a holder of Shares in the Company.

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

Mr Xiao Jing Wang

Jia No.1, Yaojiayuan Road, Chaoyang District, Beijing, 100025, China

22 December 2011

Altius Mining Limited EGM on 2 February 2012

On 16 December 2011 Dr Jannie Chan Siew Lee, the Chairman of the Company, sent a letter to all shareholders regarding:

1. The performance of the current Board;
2. The Board's refusal to give me two Board seats; and
3. My alleged intention to take over the Company.

The letter contains a number of inaccuracies which I feel compelled to correct. Taking each of the above in turn, I make the following comments:

1. The performance of the current Board

The performance of the current Board can be primarily measured by the performance of the Company's share price since listing on 19 September 2011. In the space of 3 months the market has been so impressed by the Board's performance that the share price has more than halved. As at the close of trading on 20 December 2011 the share price was 7 cents.

2. The Board's refusal to give me two Board seats

The Company raised \$11.74m under the initial public offering (IPO). It was indeed one of the few successful capital raisings in the Australian mining sector in 2011. However, \$9.6m was provided by me.

Alexander King, the Company's managing director, together with other directors induced me to invest in the Company by promising to give me two Board seats without any additional conditions. This promise is contained in a letter from Mr King to me dated 14 June 2011 and is attached. Had I not received the Board's promise of Board representation I would not have made my investment and the IPO may not have succeeded.

3. My alleged intention to take over the Company

I have no intention of taking over the Company. I provided \$9.6m (81% of the funds raised) on the basis that I have board representation as a major shareholder so I could participate in decisions regarding the direction of the Company. The Board has seen fit to not comply with its promise. Therefore, I have been left with no option but to call an EGM and seek the appointment as directors of persons I trust and believe can turn around the Company's poor share price.

I am not acting in concert with Kit Foo Chye or Ian Daymond. I am unhappy with the conduct of the current Board as it has:

- Induced me to invest in the Company by misleading me;

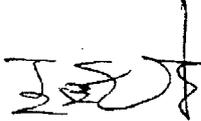
- Caused the market to lose confidence in the direction of the Company which has resulted in a collapse in its share price.

Kit Foo Chye and Ian Daymond (former Chairman of the Company, and now a proposed director) are also concerned by the Board's conduct. If other shareholders have similar concerns they are free to act.

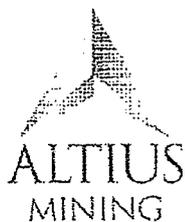
Conclusion

On 28 November 2011 the Chairman adjourned nine resolutions mentioned in the Notice of Annual General Meeting pending an investigation into alleged misinformation being circulated by some shareholders. The Chairman's letter of 16 December 2011 makes no reference to the alleged misinformation or the outcome or findings of the Company's investigations. The fact is there was no misinformation. The current Board adjourned the nine resolutions because it knew that a majority of votes cast by shareholders by proxy were against them. You can come to your own conclusions as to the Board's motives.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Xiao Jing Wang', written over a vertical line that extends from the 'Yours sincerely,' text above.

Mr Xiao Jing Wang



Mr Xiaojing Wang

14th June 2011.

63 / 2 Bunn Street

Pymont NSW 2009

Dear Mr Wang,

We wish to confirm that upon the investment of \$9.5m into our IPO, the Board will accept your request for 2 Board Seats to commence and be effective after Altius Mining Ltd is listed. This investment gives you a holding of 47,500,000 shares collectively in 4 separate names, issued at A\$0.20, giving the total investment currently estimated at 18% of Altius Mining Ltd. The exact shareholding % will be calculated on close of the offer and subsequent listing.

In the unlikely event that the offer is not closed by the 28th June 2011, Altius will instruct computer share to refund the \$9.5m within 14 days or at the request of the investor the investor may reinvest the funds directly for Altius' future funding under a new shareholder agreement.

This request, under ASIC rules, must be submit for voting at the next EGM which is planned within 3 months from listing.

We welcome the 2 new Non-Executive Board Members and look forward to working together to maximise shareholder wealth through growing the company through its current asset base.

Yours faithfully

Altius Mining Limited

Alexander King,

CEO/Executive Director.



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

Lodge your vote:

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

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

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

For all enquiries call:
 (within Australia) 1300 850 505
 (outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 11:00am (AEDT) Tuesday, 6 March 2012

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

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

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

Turn over to complete the form →

View your securityholder information, 24 hours a day, 7 days a week: www.investorcentre.com	
<input checked="" type="checkbox"/> Review your securityholding <input checked="" type="checkbox"/> Update your securityholding	Your secure access information is: SRN/HIN: I9999999999 PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

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

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



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

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

the Chairman of the meeting OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Adjourned Extraordinary General Meeting of Altius Mining Limited to be held at the RACV Club, 501 Bourke Street, Melbourne on Thursday, 8 March at 11:00am (AEDT) and at any adjournment of that meeting.

STEP 2 Items of Business

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

ORDINARY BUSINESS	For	Against	Abstain		For	Against	Abstain
Item 1 Election of Ian Cunynghame Daymond as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 8 WITHDRAWN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2 Election of Wilson Cheung as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 9 WITHDRAWN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Election of Jun Wang as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 10 Removal of Joe Fekete as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Election of Alan Robert Fraser as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 11 WITHDRAWN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5 Election of Michael Tan Kiah Teck as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 12 WITHDRAWN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6 Election of Xiao Jing Wang as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 13 Removal of other Director(s) appointed after the date of this Notice of Meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 7 Removal of Alexander King as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Item 14 Increase the maximum number of Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman will vote on your behalf in accordance with your voting directions in this Proxy Form (if any). If a proxy is not directed on how to vote on an item of business or Resolution, the proxy (including, if applicable, the Chairman) may vote, or abstain from voting, as they think fit. If you wish to vote in favour of the Resolutions, please ensure that you specifically direct your nominated proxy (including, if applicable, the Chairman) to cast all proxy votes in favour of the Resolutions.

SIGN Signature of Securityholder(s) This section must be completed.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / /