



ALTURA MINING LIMITED
ABN 39 093 391 774

**Notice of
General Meeting,
Explanatory Memorandum
and Proxy Form**

TIME: 10.30am AEST

DATE: Thursday, 12 February 2015

PLACE: The Springlake Hotel Function Centre
1/1 Springfield Lakes Boulevard
SPRINGFIELD LAKES QLD 4300

This Notice of General Meeting, Explanatory Memorandum 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 professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on + 61 8 9488 5110.

Altura Mining Limited

ABN 39 093 391 774

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of Shareholders of Altura Mining Limited ("**Company**") will be held at The Springlake Hotel Function Centre, 1/1 Springfield Lakes Boulevard, Springfield Lakes, Queensland on Thursday, 12 February 2015 commencing at 10.30am AEST.

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

Terms and abbreviations used in this Notice of Meeting, Explanatory Memorandum and Proxy Form are defined in the Glossary.

AGENDA

Resolution 1 – DISPOSAL OF MT WEBBER INTEREST

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 11.2 of the ASX Listing Rules and for all other purposes, approval is given for the Company to dispose of the Mt Webber Interest on the terms and conditions described in the Explanatory Memorandum accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if:

- (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 person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 2 – PARTIAL DISPOSAL OF COAL ASSETS

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 Rules 11.2 and 11.4 of the ASX Listing Rules and for all other purposes, approval is given for the Company to dispose of certain assets of the Company by the Spin Out on the terms and conditions described in the Explanatory Memorandum accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed), a party to the transaction to acquire the asset, and any associates of those persons. 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 person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By order of the Board

A handwritten signature in black ink, appearing to read 'D Cox', written in a cursive style.

DAMON COX
Company Secretary
12 January 2015

NOTES

RIGHT TO VOTE

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations that the persons eligible to vote at the General Meeting are those who are registered Shareholders as at 7.00pm AEST on Tuesday, 10 February 2015.

VOTING IN PERSON

To vote in person, please attend the General Meeting on the date and at the place set out in this Notice of Meeting.

VOTING BY A CORPORATION

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed unless previously given to the Company's Share Registry.

VOTING BY PROXY

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

- (a) lodge the Proxy Form in person at Altura Mining Limited, Building 8, 22 Magnolia Drive, Brookwater QLD 4300; or
- (b) send the Proxy Form by post to Altura Mining Limited, PO Box 4088, Springfield QLD 4300; or
- (c) send the Proxy Form by email to cosec@alturamining.com; or
- (d) send the Proxy Form by facsimile to the Company on facsimile number + 61 7 3814 6911,

so that it is received not later than 10.30am AEST Tuesday, 10 February 2015.

Proxy forms received later than this time will be invalid.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders of Altura in connection with the business to be conducted at the General Meeting to be held at The Springlake Hotel Function Centre, 1/1 Springfield Lakes Boulevard, Springfield Lakes, Queensland on Thursday, 12 February 2015 commencing at 10:30am AEST.

The purpose of this Explanatory Memorandum is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

BACKGROUND TO RESOLUTIONS

Overview of the Proposed Transactions

As announced on 24 December 2014 and 18 November 2014, respectively, the Company proposes to:

- (a) sell the Mt Webber Interest to managing partner Atlas (**Mt Webber Interest Disposal**); and
- (b) sell its Indonesian coal assets into a Singapore-based vehicle, Merida Corporation Pte Ltd (**Merida**) which proposes to be separately listed on the SGX-ST (**Spin-Out**),

(together, the **Proposed Transactions**).

Mt Webber Interest Disposal

The Mt Webber Project is located 150 kilometres south-southeast of Port Hedland in the world's premier iron ore province, the Pilbara. Altura has a 30% interest in the Production JV Tenement. Atlas also owns a separate northern adjoining tenement M45/1197 which is separate to and not part of the sale. Additionally, Altura holds a 30% interest in five undeveloped Pilbara tenements that form part of an exploration joint venture with Atlas.

The Mt Webber Project commenced operations in July 2014 at an annualised target production rate of 3Mtpa (Altura's initial share being 900Ktpa). Substantial reductions in the iron ore price in 2014 have placed Altura's stake in the operation under pressure and negative cashflow. As a result, the Company has determined that the sale of the Mt Webber Interest is the most effective way of restructuring its balance sheet in order to strengthen the Company's position.

Spin-Out

The coal assets are comprised of the Company's:

- (a) 33⅓% interest in the Delta coal mine in East Kalimantan, Indonesia (**Delta Project**) which is held through Netherlands based vehicle Aveta Resources as an intermediary holding company; and
- (b) 70% interest in three (3) Mining Permits (Izin Usaha Pertambangan) (**IUPs**) ("SPK", "SCC" and "SP") and a 56% interest in two (2) Mining Licences ("KM" and "MBM") that form the Tabalong coal project in South Kalimantan, Indonesia (**Tabalong Coal Project**),

(together, the **Coal Assets**).

The Delta coal mine is situated on a 1,260 hectare IUP in the Mahakam River delta, in reasonable proximity to the cities of Balikpapan and Samarinda. The Tabalong Coal Project consists of five (5) IUPs in the province of South Kalimantan on the island of Borneo.

Background to Merida:

- (a) Merida was incorporated in Singapore on 11 July 2013.
- (b) The issued and paid-up share capital of Merida is S\$3.00 comprising three (3) shares, of which one (1) share was allotted and issued to Altura Asia Pte Ltd, a company incorporated in Singapore and wholly owned by the Company (**Altura Asia**). The remaining two (2) shares in Merida were allotted and issued to non-related entities of the Company and Altura Asia.

- (c) The shareholders in Merida are the same shareholders in PT Harapan Insani Madani (**HIM**). As set out below, HIM is an intermediary holding company for the Delta Project. Merida was incorporated as a 'shelf' company with the intention that ownership and control of Merida reflects the current interests of the parties in the Delta Project, being 33⅓% to each of Altura Asia and the non-related entities.
- (d) The current pre-IPO board of Merida is comprised of Mr James Brown and Mr Allan Buckler, both of whom are currently Directors of the Company.
- (e) Post IPO, Merida will have a new board and Altura will become a controlling shareholder (as defined by the SGX-ST). Altura is expected to hold two (2) of the five (5) board positions, including the chairman's role.

Altura proposes to sell the whole of its Coal Assets into Merida in consideration for approximately 48% of the issued share capital of Merida, with the exact shareholding dependent on final asset valuations. The sale will be effected via share swap transactions.

Thereafter, it is intended that Merida will be listed on the SGX-ST and will seek to raise up to S\$40,000,000 (approximately A\$37,000,000 as part of that listing). The funds raised will allow for development of the Tabalong Coal Project through to production, progression of the exploration programs for both projects, and strengthening of the balance sheet of the existing producing Delta Project. It is anticipated that Altura's final shareholding in Merida upon listing will be in the range of approximately 25% to 35%, with the final shareholding impacted by the amount of new funds raised as part of the Spin-Out.

Subject to the approval of the draft offer document by the SGX-ST, it is proposed that Merida will seek to be listed in the first quarter of 2015.

Reasons for Resolutions 1 and 2

Resolution 1 seeks Shareholder approval pursuant to Listing Rule 11.2 for the Company to complete transactions under the Mt Webber Sale Agreements, under which it will dispose of the Mt Webber Interest to Atlas.

Resolution 2 seeks Shareholder approval pursuant to ASX Listing Rule 11.2 and 11.4 for the Company to complete transactions under the Coal Assets Sale Agreements to effect the Spin-Out under which it will dispose of the Coal Assets to Merida, following which Merida will list on SGX-ST and the Company will be a controlling shareholder (as defined by the SGX-ST).

Together, the Mt Webber Interest and the Coal Assets comprise the main undertaking of the Company.

ASX Listing Rule 11.2 considers the Proposed Transactions to be a "disposal of the Company's main undertaking" and accordingly Shareholder approval is required.

Pursuant to ASX Listing Rule 11.4, a listed entity must not, without shareholder approval dispose of a major asset if, at the time of the disposal, it is aware that the person acquiring the asset intends to issue or offer securities with a view to becoming listed. As set out above, Merida is proposing to list on SGX-ST following completion of the Coal Assets Sale Agreements.

The effect of passing Resolutions 1 and 2 will be to allow the Company to undertake the Mt Webber Interest Disposal and the Spin Out in compliance with ASX Listing Rules 11.2 and 11.4.

Rationale for the Proposed Transactions

As noted above, Shareholders will be aware that significant reductions in the iron ore price in 2014 have placed the Mt Webber Interest under pressure and negative cashflow. In order to remain in the joint venture the Company would be required to fund its share of the operations via cash, and reduce its liability owing to Atlas to the loan limit of \$18 million.

As a result, the Company has been undertaking a strategic review and various initiatives in order to restructure its balance sheet to ensure its ongoing financial viability by driving the Company out of the exceptional and challenging period it has recently faced. The Company has considered various options available to it and has determined that the sale of the Mt Webber Interest is the most effective way of restructuring the balance sheet to strengthen its position, and considers that the sale of the asset offers certainty to both Altura and Atlas and provides a mechanism for repayment of the Atlas provided funding package.

In addition, Altura considers that the consolidation of its Coal Assets into a separate coal focused entity based in Singapore will allow for recognition of Altura's investment in these Indonesian coal assets, provide a platform to build on the existing Delta coal mine business, and give management the financial resources required for the development and further exploration of the Tabalong Coal Project.

Summary of the Mt Webber Sale Agreements

On 24 December 2014, the Company (through its 100% owned subsidiary, Altura Exploration Pty Ltd) and Atlas entered into the Mt Webber Sale Agreements, the key terms of which are set out below:

- (a) (**Condition Precedent**): The Mt Webber Interest Disposal is conditional upon a resolution of the shareholders of Altura being passed to approve the Mt Webber Interest Disposal for the purposes of, and in accordance with the requirements of, Listing Rule 11.2.
- (b) (**Consideration**): The consideration for the Mt Webber Interest is as follows:
 - (i) cash sufficient to discharge all principal and interest owing under loan arrangements from Atlas and outstanding cash calls as at completion, to be paid to Atlas as Altura's nominee. The amount owing at completion is expected to be approximately A\$22 million but will be subject to reconciliation post completion of the transaction;
 - (ii) release of Altura's obligation to pay the "Consideration" of \$100,000 for M45/1231 (Pilgangoora) at "Settlement" (as those terms are defined in the Option to Purchase Mining Rights);
 - (iii) transfer of all Atlas rights in E45/2287 to Altura;
 - (iv) entry into a royalty deed providing for a 0.3% (1% on 30% on tonnage) FOB sales royalty on iron ore sold from within the area of E45/2312, E45/2268, E45/2288, E45/2244 and E45/2346, payable only for months in which the average CFR 62% Fe index is greater than A\$95;
 - (v) entry into a royalty deed providing for a 0.3% (1% on 30% tonnage) FOB sales royalty on iron ore sold within the area of M45/1209 and M45/1197 which extinguishes when the amount of iron ore extracted and sold from those tenements since the commencement of mining is equal to the JORC Reserve for M45/1209 (currently 29.8 million DMT). The royalty represents a 1% FOB royalty on the Company's current share of the Reserve (as that term is defined in the JORC Code) within M45/1209. The royalty is payable only for months in which the average CFR 62% Fe index is greater than A\$95. The 29.8 million DMT cap will be adjusted from time to time to reflect any changes in the Reserve for M45/1209; and
 - (vi) Altura relinquishes its rights to non-Fe minerals within the area of M45/1209.
- (c) (**Termination of Production JV Agreement**): At settlement of the Mt Webber Sale Agreements, the Production JV Agreement and related ore sales agreement are terminated.
- (d) (**Termination of Exploration JV Agreement**): At settlement of the Mt Webber Sale Agreements, the Exploration JV Agreement is terminated.

(e) **(Effect of settlement):**

- (i) from settlement and termination of the Production JV Agreement, Atlas will acquire full legal and beneficial ownership of M45/1209;
- (ii) from settlement and termination of the Exploration JV Agreement, Atlas will acquire full legal and beneficial ownership of Altura's interests in E45/2312, E45/2268, E45/2288, E45/2244 and E45/2346; and
- (iii) Altura will acquire full legal and beneficial ownership of all of Atlas' rights, title and interest in E45/2287.

The Mt Webber Sale Agreements are otherwise on terms that are customary for agreements of this nature.

Summary of the Coal Assets Sale Agreements

HIM Share Swap Agreement

As part of the process of effecting the Spin-Out, Aveta Resources (**Aveta**) a company incorporated in the Netherlands (and which is effectively 33⅓% owned by Altura Asia) will enter into an agreement with Merida (which is also effectively 33⅓% owned by Altura Asia), the key terms of which are as follows:

- (a) Aveta agrees to sell to Merida 100% of its shares in HIM, a company incorporated in Indonesia (**HIM Sale Shares**) and which is an intermediary holding company for the Delta Project.
- (b) The purchase price for the HIM Sale Shares shall be settled at completion by the issue to nominees of Aveta of such number of shares in Merida as will amount to those nominees holding approximately 59.66% of Merida. The number of shares issued to Altura Asia will amount to 19.89% of Merida.
- (c) Completion is to take place within 7 days from the date that a report on the value of the Tabalong Coal Project and a report on the value of the Delta Project are delivered by qualified valuers for the purposes of the SGX-ST.

The HIM Share Swap Agreement will otherwise be on terms that are customary for agreements of this nature.

CPK Share Swap Agreement

Also as part of the process of effecting the Spin-Out, Altura Asia will enter into an agreement with Merida, the key terms of which are set out below:

- (a) Altura Asia agrees to sell to Merida 18,305 ordinary and fully paid up shares representing 70% of the issued and paid up share capital of PT Cahaya Permata Khatulistiwa (**CPK**), a company incorporated in Indonesia (**CPK Sale Shares**) and which is the holding company for the Tabalong Coal Project.
- (b) The purchase price for the CPK Sale Shares shall be settled at completion by the issue to Altura Asia of such number of shares in Merida as will amount to approximately 28.24% of the total issued share capital of Merida.
- (c) Completion is to take place within 7 days from the date that a report on the value of the Tabalong Coal Project and a report of the value of the Delta Project are delivered by a qualified valuer for the purposes of the SGX-ST.

The CPK Share Swap Agreement will otherwise be on terms that are customary for agreements of this nature.

Impact of the Proposed Transactions on the Company

If the sale of the Mt Webber Interest is approved by Shareholders and proceeds it will have an effect on previously expected cash-flows from iron ore sales, the current iron ore market however does not

support the cost structure of Altura's share of the Mt Webber operations. The Company will eliminate its debt to Atlas and remove the requirement to raise additional cash to support the operations.

If the Spin Out is approved by Shareholders and proceeds the Company's direct interest will be replaced with an equivalent interest in Merida. A pro-forma consolidated balance sheet for the Company is set out below and shows the impact on the financial position of the Company after completion of the Proposed Transactions, on the assumptions set out in the notes to the pro-forma balance sheet, as if they had occurred on 30 June 2014.

	AUDITED 30 June 2014	Adjustments (Unaudited)	Adjustments (Unaudited)	PRO FORMA (Unaudited)
	A\$'000	Mt Webber A\$'000	Coal Assets A\$'000	Post Changes A\$'000
Current assets				
Cash and cash equivalents	3,403	-	22,634	26,037
Trade and other receivables	2,081	-	678	2,759
Held to maturity investments	280	-	651	931
Inventories	3,529	(3,528)	5,036	5,037
Current tax prepaid	256	-	-	256
Other current assets	595	-	1,729	2,324
Total current assets	10,144	(3,528)	30,728	37,344
Non-current assets				
Other receivables	1,972	-	-	1,972
Available-for-sale financial assets	584	-	-	584
Property, plant and equipment	2,059	-	25,429	27,488
Exploration and evaluation	14,205	-	32,118	46,323
Mine development costs	29,508	(29,508)	23,485	23,485
Investments accounted for using the equity method	25,772	-	(25,772)	-
Intangible assets	4,529	-	-	4,529
Deferred tax asset	9,715	-	252	9,967
Total non-current assets	88,344	(29,508)	55,512	114,348
TOTAL ASSETS	98,488	(33,036)	86,240	151,692
Current liabilities				
Trade and other payables	2,022	(516)	23,099	24,605
Interest bearing liabilities	15,079	(6,888)	23	8,214
Short term provisions	544	-	920	1,464
Total current liabilities	17,645	(7,404)	24,043	34,284
Non-current liabilities				
Interest bearing liabilities	16,818	(11,216)	-	5,602
Rehabilitation provision	2,815	(2,815)	2,141	2,141
Deferred tax liability	9,348	-	-	9,348
Total non-current liabilities	28,981	(14,031)	2,141	17,091
TOTAL LIABILITIES	46,626	(21,435)	26,184	51,375
NET ASSETS	51,862	(11,601)	60,056	100,317
Equity				
Contributed equity	74,562	-	-	74,562
Reserves	492	-	1,984	2,476
Accumulated losses	(23,870)	(11,601)	3,354	(32,117)
Capital and reserves attributable to owners of Altura	51,184	(11,601)	5,338	44,921
Non-controlling interest	678	-	54,718	55,396
TOTAL EQUITY	51,862	(11,601)	60,056	100,317

Assumptions:

1. The cash and cash equivalents in the pro-forma balance sheet above includes allowance for new funds to be raised as part of the listing on SGX-ST of A\$21.2 million (after costs of the listing). These funds will be held in the account(s) of Merida and will be available for use by Merida in the development of its projects.
2. Exchange rate used for all transaction is 0.9420 A\$:US\$ which was the exchange rate used by Altura in its annual accounts prepared at 30 June 2014.
3. Merida was equity accounted in Altura's audited annual accounts as at 30 June 2014, however Merida will likely become a subsidiary of Altura following its listing on SGX.

Shareholders should consider the various advantages and disadvantages set out below in assessing the impact of the Proposed Transactions on the Company.

Advantages of the Proposed Transactions

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the Proposed Transactions:

- (a) the Proposed Transactions will be beneficial to the Company and its Shareholders as a continuation of the Company's ongoing strategy of restructuring its balance sheet to ensure its ongoing financial viability;
- (b) the Mt Webber Interest Disposal will enable the Company to completely discharge its liabilities owing to Atlas, when revenue received by the Company at current iron ore prices is insufficient to allow for repayment of those liabilities, and repayment of such liabilities may be unlikely if iron ore prices do not improve in the future;
- (c) the Mt Webber Interest Disposal will relieve the Company of the requirement to fund its share of the operating costs of the Mt Webber Project, particularly at a time when the Company's interest in the Mt Webber Project is losing money due to continuing low selling prices of iron ore;
- (d) while the Company will be relieved from the requirement to fund its share of the loss making Mt Webber Project at current iron ore prices, it will receive a no risk royalty on its share of iron ore sales from the Mt Webber Project, should the iron ore price recover in the future;
- (e) the Proposed Transactions will provide the Company and its Shareholders with a continued exposure to the Coal Assets (by retaining a controlling interest in Merida);
- (f) Altura believes the consolidation of its Coal Assets into a separate coal focused entity based in Singapore will allow for recognition of Altura's investment in these Indonesian coal assets, provide a platform to build on the existing Delta Coal business, and funds raised as part of the listing on the SGX will give management the financial resources required for the development and further exploration of the Tabalong Coal Project and the opportunity to grow the coal business by having funds to seek out new opportunities in coal in south-east Asia; and
- (g) the Company will be free to seek other investment opportunities.

Disadvantages of the Proposed Transactions

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the Proposed Transactions:

- (a) the Company will no longer be the direct legal and beneficial holder of the Mt Webber Interest and the Coal Assets. It will, however, retain an indirect interest in the Coal Assets through its shareholding in Merida;
- (b) the Company will be changing the scale of its activities by a significant extent through the partial disposal of its major assets, which may not be consistent with the investment objectives of all Shareholders; and

- (c) the Company will lose majority control (but not operational control) in respect of some of the Coal Assets.

Implications if the Proposed Transactions do not proceed

As noted above, Shareholders will be aware that the Company has been undergoing a period of financial difficulty due to the significant reductions in the iron ore price in 2014. Accordingly, if the Proposed Transactions do not proceed, it may have a significant impact on the Company's ability to continue as a going concern.

Intentions following completion of the Proposed Transactions

The consolidation of the Company's coal assets is aimed at providing the foundation for a substantially funded single coal business unit providing growth and access to capital markets in the jurisdiction it operates. Merida will provide the base to both consolidate and grow the coal business through continued production, development of new operations and funding for project acquisitions. Altura's participation in Merida as a controlling shareholder with significant board presence will allow for the transfer of expertise and support the growth of the new business.

The strengthened balance sheet will provide the Company with the financial flexibility necessary to advance its existing projects and to investigate other initiatives in the sector going forward.

The Company will continue to progress its feasibility studies for the Pilgangoora lithium project, and its exploration of its other tenements in Western Australia and Northern Territory.

Following these changes, Altura's corporate profile will be as a company with a controlling interest in a coal investment entity, a developer of the Pilgangoora lithium deposit and a provider of mining services.

Indicative Timetable

Subject to the ASX Listing Rules and Corporations Act requirements, the Company anticipates completion of the Proposed Transactions in accordance with the following timetable (which is subject to change by the Company):

Event	Date
Execution of Mt Webber Sale Agreements and Coal Assets Sale Agreements	Wednesday, 24 December 2014
Announcement of the Mt Webber Interest Disposal	Wednesday, 24 December 2014
Despatch of Notice of Meeting	Tuesday, 13 January 2015
General Meeting to approve Resolutions 1 and 2	Thursday 12 February 2015
Settlement of the Mt Webber Interest Disposal	Monday, 16 February 2015
Settlement of the Spin Out	Monday, 16 February 2015
Proposed listing date of Merida	Friday, 6 March 2015

ASX Listing Rule 11.2

Listing Rule 11.2 states that a listed entity that is proposing to make a significant change, either directly or indirectly, by disposing of its main undertaking, must get the approval from Shareholders and comply with any requirements of ASX in relation to the Notice of Meeting.

In accordance with Listing Rule 11.2, the Company seeks Shareholder approval of the Proposed Transactions and provides full disclosure of the details of the Proposed Transactions and its impact on the Company (refer to the above sections of this Explanatory Statement).

Accordingly, the Company seeks Shareholder approval for the purposes of ASX Listing Rule 11.2 to dispose of the assets referred to above pursuant to the terms of the Mt Webber Sale Agreements and the Coal Assets Sale Agreements.

ASX Listing Rule 11.4

Pursuant to ASX Listing Rule 11.4, a listed entity must not, without shareholder approval dispose of a major asset if, at the time of the disposal, it is aware that the person acquiring the asset intends to issue or offer securities with a view to becoming listed.

The Company intends to dispose of its Coal Assets to Merida following which, it is proposed that Merida will complete its capital raising and seek a listing on SGX-ST. Accordingly, Shareholder approval pursuant to ASX Listing Rule 11.4 is required.

Board Recommendation

The Directors do not have any material personal interest in the outcome of the Resolutions other than as a result of their interest arising solely in the capacity of Shareholders of the Company. The Directors have a relevant interest in the securities of the Company as set out in the following table:

Director	Shares		Performance Rights		Unlisted Options	
	Direct	Indirect	Direct	Indirect	Direct	Indirect
James Brown	2,044,693	4,673,607	-	3,000,000	2,000,000	-
Paul Mantell	-	10,133,083	-	1,500,000	2,000,000	-
Allan Buckler	1,570,000	80,876,845	300,000	-	1,000,000	-
B T Kuan	300,000	1,882,968	300,000	-	1,000,000	-
Dan O'Neill	466,668	1,000,000	-	300,000	1,000,000	-

Each of the Directors intend to vote their Shares in favour of the Resolutions, subject to any voting exclusions.

Based on the information available, all of the Directors consider that the Proposed Transactions are in the best interests of the Company. The Directors have approved the proposal to put the Resolutions to Shareholders and separately approved the information contained in this Notice.

The Directors unanimously recommend that Shareholders vote in favour of Resolutions 1 and 2.

GLOSSARY OF TERMS

In this Explanatory Memorandum and accompanying Notice of Meeting unless otherwise defined or provided the following words and expressions have the following meanings:

"**A\$**" or "**\$**" ~ Australian dollars;

"**AEST**" ~ Australian Eastern Standard Time;

"**Atlas**" ~ Atlas Operations Pty Ltd ACN 122 835 947;

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

"**Board**" ~ the board of Directors;

"**Coal Assets**" ~ the Company's interest in certain coal assets as set out in the Explanatory Memorandum;

"**Coal Assets Sale Agreements**" ~ the Harapan Insani Madani share swap agreement to be entered into by Aveta Resources and Merida and the PT Cahay Permata Khatulistiwa share swap agreement to be entered into by Altura Asia Pte Ltd and Merida as set out in the Explanatory Memorandum;

"**Company**" or "**Altura**" ~ Altura Mining Limited (ABN 39 093 391 774);

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

"**Corporations Regulations**" ~ Corporations Regulations 2001 (Cth)

"**Chairman**" ~ chairman of the General Meeting;

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

"**Exploration JV Agreement**" ~ the joint venture agreement between Atlas and Altura dated 4 May 2011;

"**Exploration JV Tenements**" ~ the mining tenements the subject of the Exploration JV Agreement, other than E45/2287;

"**Explanatory Memorandum**" ~ the information attached to the Notice of General Meeting which provides information to Shareholders about the resolutions contained in the Notice of General Meeting;

"**Ktpa**" ~ thousands of tonnes per annum

"**JORC Code**" ~ the 2012 editions of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (as updated from time to time);

"**Listing Rules**" or "**Listing Rules**" ~ the Listing Rules of the ASX;

"**Loan Agreement**" ~ the loan agreement between Atlas and Altura dated 5 July 2013;

"**Meeting**" or "**General Meeting**" ~ the general meeting the subject of this Notice of Meeting;

"**Merida**" ~ the meaning given to that term in the Explanatory Memorandum;

"**Mtpa**" ~ millions of tonnes per annum

"**Mt Webber Interest**" ~ the Company's interest in the Mt Webber Project comprised of:

- (a) Altura's 30% interest in E45/2287 and the Exploration JV Tenements pursuant to the Exploration JV Agreement;
- (b) Altura's participating interest under the Production JV Agreement;
- (c) Altura's 30% interest in the Production JV Tenement; and
- (d) Altura's registered interests in the Exploration JV Tenements;

"Mt Webber Interest Disposal" ~ the sale of the Mt Webber Interest to Atlas pursuant to the terms of the Mt Webber Sale Agreements;

"Mt Webber Project" ~ means the Pilibara iron ore production and exploration projects the subject of the Exploration JV Agreement and the Production JV Agreement, including the Mt Webber mine on the Production JV Tenement and the northern adjoining tenement M45/1197 (wholly-owned by Atlas);

"Mt Webber Sale Agreements" ~ the Mining Property Sale and Deed of Termination – Mt Webber Production Joint Venture Agreement between Atlas and Altura dated 24 December 2014 and the Mining Property Sale and Deed of Termination – Mt Webber Exploration Joint Venture Agreement between Atlas and Altura dated 24 December 2014;

"Notice of Meeting" or **"Notice"** ~ the Notice of General Meeting which accompanies the Explanatory Memorandum and Proxy Form;

"Option" ~ an option to acquire a Share;

"Option to Purchase Mining Rights" ~ the Option to Purchase Mining Rights over part of E45/2363 dated 27 April 2011;

"Production JV Agreement" ~ the Mt Webber Production Joint Venture Agreement between Atlas and Altura dated 5 July 2013;

"Production JV Tenement" ~ the tenement the subject of the Production JV Agreement (currently M45/1209);

"Proposed Transactions" ~ the Spin-Out and the Mt Webber Interest Disposal as set out in the Explanatory Memorandum; and

"Proxy Form" ~ the proxy form enclosed with this Notice of Meeting;

"Resolution" ~ a resolution put to Shareholders of the Company at the General Meeting;

"SGX-ST" ~ SGX-ST Catalist, the Sponsor-supervised listing platform of the Singapore Exchange Securities Trading Limited;

"Shares" ~ ordinary fully paid shares in the Company;

"Shareholder" ~ holder of a Share in the Company;

"Spin-Out" ~ the proposed spin-out by Altura of the Coal Assets into Merida as set out in the Explanatory Memorandum; and

"Tabalong Coal Project" ~ the Company's interest in the Tabalong Coal Project comprising the Company's interest in the following:

- (a) PT Suryaraya Permata Khatulistiwa (SPK) Mining Licence (70%)
- (b) PT Suryaraya Cahaya Cemerlang (SCC) Mining Licence (70%)
- (c) PT Suryaraya Pusaka (SP) Mining Licence (70%)
- (d) PT Kodio Multicom (KM) Mining Licence (56%)
- (e) PT Marangkayu Bara Makarti (MBM) Mining Licence (56%)

PROXY FORM

Altura Mining Limited

ACN 093 391 774

All correspondence to:

Altura Mining Limited
PO Box 4088
Springfield QLD 4300
Enquiries (within Australia)
Phone: 07 3814 6900
Facsimile: 07 3814 6911

I/We _____
(insert name of holder – please print)

Of _____
(insert address of holder – please print)

Appointment of Proxy

I/We being member/s of Altura Mining Limited and entitled to attend and vote hereby appoint

The Chairman of the Meeting (mark with an 'X') **OR** Write here the name of the person you are appointing if this person **is someone other than** the Chairman of the Meeting

or failing the person named, or if no person 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 General Meeting of Altura Mining Limited to be held at The Springlake Hotel Function Centre, 1/1 Springfield Lakes Boulevard, Springfield Lakes, Queensland on Thursday, 12 February 2015 commencing at 10:30am AEST and at any adjournment of that Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of all Resolutions If you have appointed the Chairman of the Meeting as your proxy (or the Chairman of the Meeting becomes your proxy by default), and you wish to give the Chairman specific voting directions on an item, you should mark the appropriate box opposite those items below (directing the Chairman to vote for, against, or to abstain from voting).

Voting directions to your proxy - please mark **X** to indicate your directions

Ordinary business		For	Against	Abstain*
Resolution 1	DISPOSAL OF MT WEBBER INTEREST	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	PARTIAL DISPOSAL OF COAL ASSETS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

PLEASE SIGN HERE

This section **must** be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security holder 1

Sole Director & Sole Company Secretary

Security holder 2

Director

Security holder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

How to complete the Proxy Form

1. Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please mark the box and make the correction on the form. Security holders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your securities using this form.

2. Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the relevant box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the Company.

3. Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

5. Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the security holders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting scheduled for 10:30am AEST on Thursday, 12 February 2015. Any Proxy Form received after that time (10:30am AEST on Tuesday, 10 February 2015) will not be valid for the scheduled meeting.

Documents may be lodged:

IN PERSON	Altura Mining Limited, Building 8, 22 Magnolia Drive, Brookwater QLD 4300
BY MAIL	Altura Mining Limited, PO Box 4088, Springfield QLD 4300
BY E-MAIL	cosec@alturamining.com
BY FAX	Within Australia 07 3814 6911 Outside Australia + 61 7 3814 6911