



ALTURA MINING LIMITED

ABN 39 093 391 774

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

TIME: 9.00am AWST

DATE: Friday, 22 March 2019

PLACE: Parmelia Hilton Hotel
14 Mill Street
Perth WA 6000

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 5100.

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 Parmelia Hilton Hotel, 14 Mill Street, Perth, Western Australia on Friday, 22 March 2019 commencing at 9.00am AWST.

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

The purpose of the attached Explanatory Statement is to provide information to Shareholders to enable each Shareholder to make an informed decision regarding the Resolutions set out in this Notice of General Meeting.

If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisors before voting.

The Explanatory Statement is to be read in conjunction with this Notice of General Meeting. Capitalised words and expressions in this Notice of General Meeting have the same meaning as in the Explanatory Statement and, where not defined in the Explanatory Statement, are defined in the attached Glossary.

A final copy of this Notice of General Meeting and Explanatory Statement has been lodged with ASX. Neither ASX, nor any of its officers takes any responsibility for the contents of this document.

AGENDA

Resolution 1 – Issue of Shares and Options to a Related Party – Mr Allan Buckler

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 10.11 and for all other purposes, approval is given for the Company to allot and issue up to 116,933,615 Shares and 58,466,808 Options to Katsura Holdings Pte Limited, a company controlled by Mr Allan Buckler (or its nominee) for the purpose and on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Resolution 2 – Ratification of Prior Issue of Shares and Options under the 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 issue of 69,527,995 Shares and 34,763,997 Options on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Short Explanation: Shareholder approval is sought to approve and ratify under Listing Rule 7.4 the issue of 69,527,995 Shares and 34,763,997 Options, issued by the Company prior to the Meeting, to exempt the issues from the 15% limit in Listing Rule 7.1.

Resolution 3 – Issue of Shares and Options to a Related Party under the Placement – Mr James Brown

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 10.11 and for all other purposes, approval is given for the Company to allot and issue 770,000 Shares and 385,000 Options under the Placement to be subscribed for by Mr James Brown (or his nominee) for the purpose and

on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

Resolution 4 – Issue of Shares and Options to a Related Party under the Placement – Mr Paul Mantell

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 10.11 and for all other purposes, approval is given for the Company to allot and issue 770,000 Shares and 385,000 Options under the Placement to be subscribed for by Mr Paul Mantell (or his nominee) for the purpose and on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

Resolution 5 – Issue of Shares and Options to a Related Party under the Placement – Mr Beng Teik Kuan

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 10.11 and for all other purposes, approval is given for the Company to allot and issue 2,000,000 Shares and 1,000,000 Options under the Placement to be subscribed for by Mr Beng Teik Kuan (or his nominee) for the purpose and on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

Resolution 6 – Ratification of Prior Issue of Shares and Options under the SPP

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 issue of up to 38,461,540 Shares and 19,230,770 Options on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

Short Explanation: Shareholder approval is sought to approve and ratify under Listing Rule 7.4 the issue of up to 38,461,538 Shares and 19,230,769 Options to be issued under the SPP, to exempt that issue from the 15% limit in Listing Rule 7.1.

By Order of the Board



DAMON COX
Company Secretary
15 February 2019

VOTING EXCLUSION STATEMENTS

Resolution 1

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of Mr Allan Buckler and any Associate of Mr Allan Buckler. The Company will also disregard any votes cast on Resolution 1 by any person who is to receive securities in relation to the Company and any Associate of those persons. However, the Company need not disregard a vote 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 Chair 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.

Resolution 2

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of any person who participated in the issue and any Associate of those persons. However, the Company will not disregard any votes cast on Resolution 2 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 Chair 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.

Resolution 3

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of Mr James Brown and any Associate of Mr James Brown. The Company will also disregard any votes cast on Resolution 3 by any person who is to receive securities in relation to the Company and any Associate of those persons. However, the Company need not disregard a vote 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 Chair 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.

Resolution 4

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Mr Paul Mantell and any Associate of Mr Paul Mantell. The Company will also disregard any votes cast on Resolution 4 by any person who is to receive securities in relation to the Company and any Associate of those persons. However, the Company need not disregard a vote 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 Chair 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.

Resolution 5

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of Mr Beng Teik Kuan and any Associate of Mr Beng Teik Kuan. The Company will also disregard any votes cast on Resolution 5 by any person who is to receive securities in relation to the Company and any Associate of those persons. However, the Company need not disregard a vote 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 Chair 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.

NOTES

RIGHT TO VOTE

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders as at 7.00pm AEDT on Wednesday 20 March 2019.

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 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

Proxy forms should be returned to the Company's Share Registry, Link Market Services Limited, in accordance with the instructions on the enclosed proxy form by 9.00am (AWST) on Wednesday, 20 March 2019.

Proxy forms received later than the time specified above will be invalid.

The following methods of delivery for proxies are specified:

By post: Altura Mining Limited
 c/- Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235
 Australia

Online: www.linkmarketservices.com.au

Select 'Investor Login' and enter Altura Mining Limited or the ASX code (AJM) in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

By facsimile: (+612) 9287 0309 (from overseas)
 (02) 9287 0309 (from Australia)

By delivery: Link Market Services Limited
 1A Homebush Bay Drive
 Rhodes NSW 2138

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders of Altura Mining Limited (**Company**) in connection with the business to be conducted at the General Meeting to be held at the Parmelia Hilton Hotel, 14 Mill Street, Perth, Western Australia on Friday, 22 March 2019 commencing at 9.00am (AWST).

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.

1. RESOLUTION 1– ISSUE OF SHARES AND OPTIONS TO A RELATED PARTY – MR ALLAN BUCKLER

1.1 Background

Shareholders are being asked to approve Resolution 1 to allow the Company to allot and issue Shares and Options to Katsura Holdings Pte Ltd, a company controlled by Mr Allan Buckler (**Katsura**) as set out below.

As announced on 7 and 12 February 2019, the Company is undertaking a financing package of up to \$29.5 million (before costs) to provide a significant working capital buffer as the Company moves closer to achieving nameplate production capacity at the flagship Altura Lithium Project.

The financing package comprises of:

- (a) an unsecured loan of \$15 million (**Loan**) at an interest rate of 10% per annum from Katsura, which Loan was provided on 5 February 2019. Further details of the Loan are set out below;
- (b) an equity raise by way of a placement to institutional and sophisticated investors (including certain Directors of the Company) to raise \$9.5 million (before costs) at an issue price of \$0.13 per Share with one free attaching option exercisable at \$0.20 per Option expiring on 28 February 2022 (**Option**) for every 2 Shares issued (**Placement**). Further details on the Placement are set out in Sections 2 and 3 below; and
- (c) a securities purchase plan to existing eligible Shareholders for Shares and Options on the same terms as the Placement (**SPP**) to raise up to a further A\$5 million. The SPP is due to close on 15 March 2019, with allotment expected to occur on or about 20 March 2019. Approval for both the issue of Shares and Options under the SPP are the subject of Resolution 6.

Under the terms of the Loan, subject to the Company obtaining shareholder approval:

- the Loan will convert into Equity Securities at the rate of one (1) Share for every A\$0.13 loaned by Katsura plus one free attaching Option for every 2 Shares issued (these being the same terms as under the Placement) on the basis that the amount lent to the Company would have otherwise been utilised by Katsura to subscribe for Shares and Options in the Placement itself (**Loan Conversion**); and
- any interest accrued on the Loan up to the date on which the Loan is converted will be capitalised at a rate of one (1) Share for every A\$0.13 capitalised plus one free attaching Option for every 2 Shares issued (these being the same terms as under the Placement) (**Interest Capitalisation**).

Accordingly, the purpose of Resolution 1 is to seek Shareholder approval to permit the Loan Conversion and the Interest Capitalisation.

If Shareholder approval is not obtained, the Company will be required to repay the outstanding amount (in a single repayment) on the later of the date on which the secured loans to existing senior creditors of the Company has been repaid in full and the date that is

30 Business Days after the General Meeting (or such later date as agreed between the parties, acting reasonably).

The Listing Rules and the Corporations Act set out a number of regulatory requirements which must be satisfied in order to permit the Loan Conversion and the Interest Capitalisation to occur. These are summarised below.

1.2 Listing Rule 10.11

Under Resolution 1, the Company seeks approval from Shareholders for the issue of Shares and Options to Katsura, a company controlled by Mr Allan Buckler, (or its nominee) who by virtue of his position as Director of the Company is a related party of the Company.

Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the Company. As Katsura is a related party of the Company by virtue of it being controlled by Mr Allan Buckler, a Director of the Company, Shareholder approval under the Listing Rules is required.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Shares and Options to Katsura as approval is being obtained under Listing Rule 10.11. Shareholders should note that the issue of Shares and Options to Katsura with Shareholder approval under Resolution 1 will not be included in the 15% calculation for the purposes of Listing Rule 7.1.

1.3 Listing Rule 10.13

Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under Listing Rule 10.11. For the purposes of Listing Rule 10.13, the following information is provided in relation to Resolution 1:

- (a) the Shares and Options will be issued to Katsura Holdings Pte Ltd, a company controlled by Mr Buckler (or its nominee);
- (b) the maximum number of Shares to be issued by the Company pursuant to Resolution 1 is 116,933,615 which amount comprises:
 - (i) 115,384,616 Shares as a result of the Loan Conversion; and
 - (ii) 1,548,999 Shares as a result of the Interest Capitalisation, calculated in accordance with the following formula:

$$N = \frac{\left(\frac{D}{365} \times 10\% \times 15,000,000\right)}{0.13}$$

where:

N = the number of Shares to be issued; and

D = the number of days between the date the Loan was provided (5 February 2019 and the anticipated date of the Loan Conversion (26 March 2019), being 49 days;

- (c) the maximum number of Options to be issued by the Company pursuant to Resolution 1 is 58,466,808 which amount comprises:
 - (i) 57,692,308 Options as a result of the Loan Conversion; and
 - (ii) 774,500 Options as a result of the Interest Capitalisation;
- (d) the Shares will be issued at a deemed issue price of 13 cents each, and the Options at no cash consideration;
- (e) the Shares and Options will be allotted and issued on or about 26 March 2019, and in any event not later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (f) no funds will be raised from the issue of the Shares or Options;

- (g) the Shares will rank equally with all other Shares on issue; and
- (h) the Options will be issued on the terms and conditions set out in the Schedule. The Options will not be quoted on the ASX unless, following completion of the SPP, the Company meets the requirements for such quotation. Whilst the Company will seek quotation of the Options, it makes no guarantee that following completion of the SPP, such quotation will be granted by the ASX.

1.4 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of “financial benefits” to “related parties” by a public company. Chapter 2E prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

A “related party” is widely defined under the Corporations Act, and includes the directors of the Company and an entity controlled by a related party. Due to the fact that Katsura is controlled by Mr Buckler, a director of the Company, Katsura is a related party of the Company for the purposes of Section 208 of the Corporations Act.

A “financial benefit” is construed widely and in determining whether a financial benefit is being given, Section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. 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.

The issue of the Shares and Options under Resolution 1 constitutes the provision of a financial benefit to a related party.

One of the nominated exceptions to the requirement to obtain shareholder approval under Chapter 2E of the Corporations Act is where the provision of the financial benefit is on terms that would be reasonable in the circumstances if the Company and the related party were dealing at arm’s length (or on terms less favourable than arm’s length). Given that the terms of the Loan Conversion and the Interest Capitalisation are equivalent to the terms of the Placement to non-related parties of the Company, the Board considers the issue of Shares and Options under Resolution 1 to constitute provision of a financial benefit on arms length terms, and accordingly that Shareholder approval under Chapter 2E of the Corporations Act is not required.

1.5 Board recommendation

The Board (except for Mr Allan Buckler) unanimously recommend that Shareholders vote in favour of this Resolution.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS UNDER PLACEMENT

2.1 Background

As noted in Section 1.1 above, the Company is undertaking the Placement as part of a broader financing package to provide a significant working capital buffer as the Company moves closer to achieving nameplate production capacity at the flagship Altura Lithium Project.

A total of 69,527,995 Shares were issued on or around 12 February 2019 as part of that Placement with the 34,763,997 Options attaching to those Shares to be issued on or about 20 March 2019 but in any event before the date of the Meeting.

In addition, the Company has received commitments from Messrs Brown, Mantell and Kuan, all directors of the Company, to participate in the Placement through the issue of 3,540,000 Shares and 1,770,000 Options in aggregate. Such participation is conditional on the Company obtaining Shareholder approval and is the subject of Resolutions 3 to 5.

The purpose of Resolution 2 is for Shareholders to approve and ratify the issue of Shares and Options under the Placement which was, in the case of the Shares, and will be in the case of the Options, undertaken without Shareholder approval pursuant to Listing Rule 7.1 before the date of the Meeting.

2.2 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.

Accordingly, under Resolution 2, the Company seeks from Shareholders approval for, and ratification of, the issue of a total of 69,527,995 Shares and 34,763,997 Options to investors so as to limit the restrictive effect of Listing Rule 7.1 on any further issues of Equity Securities in the next 12 months

The Shares issued and the Options to be issued before the date of the Meeting, for which approval and ratification is sought under Resolution 2, comprise approximately 5.42% of the Company's fully diluted issued capital as at the date of this Notice of General Meeting.

In compliance with the information requirements of Listing Rule 7.5, Shareholders are advised of the following information:

(a) Number of securities allotted

Under Resolution 2 the Company seeks from Shareholders approval for, and ratification of, the issue of 69,527,995 Shares and 34,763,997 Options that were issued or will be issued before the date of the Meeting under the Placement.

(b) The price at which the securities were issued

The Shares were issued for an issue price of \$0.13 per Share. The Options will be issued at no cash consideration.

(c) 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 Options will be issued on the terms and conditions set out in the Schedule. The Options will not be quoted on the ASX unless, following completion of the SPP, the Company meets the requirements for such quotation. Whilst the Company will seek quotation of the Options, it makes no guarantee that following completion of the SPP, such quotation will be granted by the ASX.

(d) Allottees of the securities

The Shares were allotted, and the Options will be allotted before the date of the Meeting, to investors who participated in the Company's Placement, as announced to ASX on 7 February 2019.

(e) **The use of the funds raised**

The purpose of the issue of Shares and Options under the Placement is to raise capital to provide a working capital buffer as the Company moves closer to achieving nameplate production capacity at the flagship Altura Lithium Project.

(f) **Voting exclusion statement**

A voting exclusion statement for Resolution 2 is included in the Notice of General Meeting preceding this Explanatory Statement.

2.3 Recommendation of Directors

The Board believes that the ratification of the issue of the Shares and Options 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 15% of the Company's share capital during the next 12 months without the requirement to obtain prior Shareholder approval. Accordingly, the Board recommends Shareholders vote in favour of Resolution 2.

3. RESOLUTIONS 3 TO 5 – APPROVAL FOR CERTAIN DIRECTORS TO PARTICIPATE IN THE PLACEMENT

3.1 Background

As detailed in Section 2.1 above, the Company is undertaking the Placement for the purposes of raising funds to provide a significant working capital buffer as the Company moves closer to achieving nameplate production capacity at the flagship Altura Lithium Project.

Resolutions 3 to 5 seek approval to issue Shares and Options under the Placement to certain Directors of the Company, Messrs Brown, Mantell and Kuan, or their respective nominees, who have provided commitments to participate in the Placement, subject to shareholder approval.

3.2 Listing Rules

Listing Rule 10.11 provides that, unless a specified exception applies, a company must not issue or agree to issue securities to a related party without the approval of ordinary shareholders. A "related party", for the purposes of the Listing Rules, has the meaning given to it in the Corporations Act, and includes the directors of a company.

As such, Shareholder approval is sought under Listing Rule 10.11 as Resolutions 3 to 5 propose the issue of 3,540,000 Shares and 1,770,000 Options under the Placement to certain Directors of the Company, who are related parties of the Company by virtue of their directorships.

As Shareholder approval is being sought under Listing Rule 10.11, approval is not also required under Listing Rule 7.1.

In compliance with the information requirements of Listing Rule 10.13, Shareholders are advised of the following information:

(a) **Name of person to receive securities**

The Shares and Options will be issued to Messrs Brown, Mantell and Kuan (or their respective nominees).

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

Related Party	Maximum number of Shares	Maximum number of Options
Mr James Brown	770,000	385,000

Mr Paul Mantell	770,000	385,000
Mr Beng Teik Kuan	2,000,000	1,000,000

(c) **Date of issue**

The Company anticipates that the Shares and Options will be issued on or about 26 March 2019 and in any event not later than 1 month after the date of the General Meeting (or such later date as permitted by ASX waiver or modification of the Listing Rules).

(d) **Relationship with the Company**

The Shares and Options are proposed to be issued to Messrs Brown, Mantell and Kuan, each of whom are Directors of Altura and are, as such, related parties of Altura.

(e) **Issue price**

The Shares will be issued for an issue price of \$0.13 per Share. The Options will be issued at no cost.

(f) **Terms of issue**

The Shares will be 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 Options will be issued on the terms and conditions set out in the Schedule. The Options will not be quoted on the ASX unless, following completion of the SPP, the Company meets the requirements for such quotation. Whilst the Company will seek quotation of the Options, it makes no guarantee that following completion of the SPP, such quotation will be granted by the ASX.

(g) **Intended use of the funds raised**

The purpose of the issue of Shares under the Placement is to raise capital to provide a working capital buffer as the Company moves closer to achieving nameplate production capacity at the flagship Altura Lithium Project.

(h) **Voting exclusion statement**

A voting exclusion statement for each of Resolutions 3 to 5 is included in the Notice of General Meeting preceding this Explanatory Statement.

3.3 Regulatory Requirements: Corporations Act

Chapter 2E of the Corporations Act regulates the provision of "financial benefits" to "related parties" by a public company. Chapter 2E prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

A "related party" is widely defined under the Corporations Act, and includes the directors of the company. As such, the Directors of Altura are related parties of the Company for the purposes of Section 208 of the Corporations Act.

A "financial benefit" is construed widely and in determining whether a financial benefit is being given, Section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. 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.

The issue of the Shares and Options under Resolutions 3 to 5 constitutes the provision of a financial benefit to a related party.

One of the nominated exceptions to the requirement to obtain shareholder approval under Chapter 2E of the Corporations Act is where the provision of the financial benefit is on terms that would be reasonable in the circumstances if the Company and the related party were dealing at arm's length (or on terms less favourable than arm's length). Given the Directors will be participating in the Placement on the same arm's length terms as the parties who are not related parties of the Company, the Board considers the issue of Shares and Options under Resolutions 3 to 5 to constitute provision of a financial benefit on arms length terms, and accordingly that Shareholder approval under Chapter 2E of the Corporations Act is not required.

3.4 Board Recommendation

The Directors, other than Mr James Brown who has a material personal interest in the outcome of Resolution 3, recommend that Shareholders vote in favour of Resolution 3. Mr Brown has a material personal interest in the outcome of Resolution 3 and accordingly does not make a voting recommendation to Shareholders.

The Directors, other than Mr Paul Mantell who has a material personal interest in the outcome of Resolution 4, recommend that Shareholders vote in favour of Resolution 4. Mr Mantell has a material personal interest in the outcome of Resolution 4 and accordingly does not make a voting recommendation to Shareholders.

The Directors, other than Mr Beng Teik Kuan who has a material personal interest in the outcome of Resolution 5, recommend that Shareholders vote in favour of Resolution 5. Mr Kuan has a material personal interest in the outcome of Resolution 5 and accordingly does not make a voting recommendation to Shareholders.

4. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS UNDER THE SPP

4.1 Background

As noted in section 1.1 above, as part of the funding package, the Company has offered existing eligible Shareholders the opportunity to participate in the Company's SPP to purchase a maximum of \$15,000 of Shares at the discounted price of \$0.13 per Share, plus one (1) free-attaching Option for every two (2) Shares subscribed for under the SPP (being on the same terms as the Placement) to raise up to \$5 million.

The SPP offer was made pursuant to a prospectus dated 15 February 2019 (**Prospectus**). Under the Prospectus, the Directors have reserved the right to allocate any Shares and Options not subscribed for under the SPP to the general public (including any eligible Shareholders) within 3 months after the close of the SPP offer.

The SPP offer opened on 15 February 2019 and is due to close on 15 March 2019, with allotment of the Shares and Options expected to occur on 20 March 2019. In the event that the issue of Shares and Options have not occurred before the Meeting, the Company will not proceed with the resolution for the ratification of the issue of Shares and Options, and the Shares and Options will be issued under the placement capacity of the Company under Listing Rule 7.1.

4.2 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.

Accordingly, under Resolution 6, the Company seeks from Shareholders approval for, and ratification of, the issue of a total of up to 38,461,540 Shares and 19,230,770 Options to investors under the SPP so as to limit the restrictive effect of Listing Rule 7.1 on any further issues.

The Shares and Options to be issued prior to the date of the General Meeting, for which approval and ratification is sought under Resolution 6, will comprise approximately 3.00% of the Company's fully diluted issued capital as at the date of this Notice of Meeting.

In compliance with the information requirements of Listing Rule 7.5, Shareholders are advised of the following information:

(a) **Number of securities allotted**

Under Resolution 6 the Company seeks from Shareholders approval for, and ratification of, the issue of up to 38,461,540 Shares and 19,230,770 Options to be issued prior to the General Meeting, under Listing Rule 7.1.

(b) **The price at which the securities were issued**

The Shares will be issued for an issue price of \$0.13 per Share. The Options will be issued at no cost.

(c) **Terms of the securities**

The Shares will be 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 Options will be issued on the terms and conditions set out in the Schedule. The Options will not be quoted on the ASX unless, following completion of the SPP, the Company meets the requirements for such quotation. Whilst the Company will seek quotation of the Options, it makes no guarantee that following completion of the SPP, such quotation will be granted by the ASX.

(d) **Allottees of the securities**

The Shares and Options will be issued to existing eligible Shareholders who apply to participate in the SPP under the Prospectus.

(e) **The use of the funds raised**

The purpose of the issue of Shares and Options under the SPP is to raise capital to provide a working capital buffer as the Company moves closer to achieving nameplate production capacity at the flagship Altura Lithium Project.

(f) **Voting exclusion statement**

ASX Listing Rules 7.5.6 and 14.11 provide that the notice of meeting must include a statement to the effect that any person who participated in the SPP must not vote on Resolution 6. As the Company is making offers under the Prospectus to all eligible Shareholders, then no person who participated in the SPP would be able to vote on Resolution 6 to ratify the issue of the Shares and Options under the SPP. In these circumstances, the Company has applied to ASX for a waiver from ASX Listing Rule 7.5.6 so that any person who participated in the SPP may vote on Resolution 6. In the event that ASX does not grant a waiver from ASX Listing Rule 7.5.6, the Company will disregard any votes cast in favour of Resolution 6 by any eligible Shareholder who participated in the SPP or their Associates. However, the Company need not disregard a vote if 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 by

the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides. The Chairman will inform Shareholders as to the status of the waiver application at the Meeting.

4.3 Recommendation of Directors

The Board believes that the ratification of the issue of the Shares and Option 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 15% of the Company's share capital during the next 12 months without the requirement to obtain prior Shareholder approval. Accordingly, the Board recommends Shareholders vote in favour of this Resolution.

GLOSSARY

AEDT means Australian Eastern Daylight Time.

AUD\$, \$ and dollars means Australian dollars, unless otherwise stated.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691).

AWST means Australian Western Standard Time.

Associate has the meaning given to that term in the Listing Rules.

Board means the current board of directors of the Company.

Company or **Altura** means Altura Mining Limited (ACN 093 391 774).

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

Directors mean the current directors of the Company.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the general meeting convened by the Notice.

Interest Capitalisation has the meaning given to that term in section 1.1 of the Explanatory Statement.

Katsura means Katsura Holdings Pte Ltd, a company controlled by Mr Allan Buckler.

Listing Rules means the listing rules of the ASX.

Loan has the meaning given to that term in section 1.1 of the Explanatory Statement.

Loan Conversion has the meaning given to that term in section 1.1 of the Explanatory Statement.

Notice or **Notice of General Meeting** or **Notice of Meeting** means this notice of general meeting including the Explanatory Statement and the Proxy Form.

Option means an option to purchase a Share on the terms and conditions set out in the Schedule.

Placement has the meaning given to that term in section 1.1 of the Explanatory Statement.

Proxy Form means the proxy form accompanying the Notice.

Related Parties has the meaning given to that term in the Corporations Act.

Resolution means the resolution set out in the Notice of General Meeting.

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

Shareholder means a holder of a Share.

SPP has the meaning given to that term in section 1.1 of the Explanatory Statement.

SCHEDULE

TERMS AND CONDITIONS OF OPTIONS

- (a) Each Option shall entitle the Option holder, when exercised, to one Share.
- (b) The Options are exercisable wholly or in part at any time prior to 5.00 pm (AEDT) on 28 February 2022 (**Expiry Date**). Options not exercised by that date shall lapse.
- (c) Each Option may be exercised by notice in writing to the Company's share registry, Link Market Services Limited, together with the payment for the number of Shares in respect of which the Options are exercised, at any time before the Expiry Date. Any notice of exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.
- (d) The Option exercise price is A\$0.20 per Option.
- (e) Shares issued upon exercise of the Options will be issued following receipt of all the relevant documents and payments and will rank equally in all respect with the then issued Shares.
- (f) Application will be made to ASX for official quotation by ASX of all Shares allotted pursuant to the exercise of Options not later than 10 business days after the date of allotment.
- (g) Subject to the Corporations Act, the Constitution and the Listing Rules, the Options are freely transferable.
- (h) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of securities offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 5 Business Days after the issue is announced so as to give Option holders the opportunity to exercise their Options before the date for determining entitlements to participate in any issue.
- (i) If at any time the issued capital of the Company is reorganised, the rights of an Option holder are to be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF ALTURA MINING LIMITED (THE "COMPANY") THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S PROMULGATED UNDER THE U.S. SECURITIES ACT AND LOCAL LAWS AND REGULATIONS, (C) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT.

For the purposes of Canadian law, unless permitted under securities legislation, the holder of this security shall not trade the security before the date that is 4 months and a day after the later of (i) [the distribution date], and (ii) the date the issuer became a reporting issuer in any province or territory

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Altura Mining Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

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

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **9:00am (AWST) on Friday, 22 March 2019 at the Parmelia Hilton Hotel, 14 Mill Street, Perth WA 6000 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Issue of Shares and Options to a Related Party – Allan Buckler	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Issue of Shares and Options to a Related Party under the Placement – B T Kuan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of Prior Issue of Shares and Options under the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Ratification of Prior Issue of Shares and Options under the SPP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Issue of Shares and Options to a Related Party under the Placement – James Brown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Issue of Shares and Options to a Related Party under the Placement – Paul Mantell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

i * 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.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

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 make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares 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 shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, 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.

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 and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares 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; and
- return both forms together.

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, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney 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.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **9:00am (AWST) on Wednesday, 20 March 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Form may be lodged using:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Altura Mining Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)



COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**