
TNT MINES LIMITED

ACN 107 244 039

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10AM AWST

DATE: Tuesday, 2nd July 2019

PLACE: 1202 Hay Street, West Perth, Western Australia

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

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5pm AWST on 30 June 2019.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – CREATION OF A NEW CLASS OF SECURITIES – PERFORMANCE SHARES

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

“For the purpose of Section 246B of the Corporations Act and for all other purposes, the Company is authorised to issue Performance Shares on the terms and conditions set out in the Explanatory Statement.”

Short Explanation: The Company has entered into the Agreement pursuant to which the Company will acquire certain interests connected to the Acquisition. The Company seeks Shareholder approval for the issue the Performance Shares to the shareholders as part consideration for the Acquisition. The Company requires Shareholder approval under the Corporations Act to issue the Performance Shares as a new class of security. Please refer to the Explanatory Statement for details.

2. RESOLUTION 2 – ISSUE OF PERFORMANCE SHARES

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 6,750,000 Performance Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – ISSUE OF CHIEFTAIN OPTIONS

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 8,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – ADOPTION OF OPTION AND PERFORMANCE RIGHTS PLAN

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

“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Option and Performance Rights Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, or any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated: 24 May 2019

By order of the Board

**Miss Lauren Nelson
Company Secretary**

Voting in person

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

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6319 1900.

EXPLANATORY STATEMENT

1. BACKGROUND TO PROPOSED TRANSACTION

1.1 General

As announced on 9 May 2019, the Company has entered into a binding share sale agreement (**Share Sale Agreement**), pursuant to which it will acquire 100% of the of the issued capital in Metals of America LLC (a Nevada limited liability company, Nevada Secretary of State entity number E0193452018-9) (**MOA**) from Nedeel LLC and Ms Cherie Leeden (**Acquisition**).

MOA currently holds the rights to the Pelley Ridge license and Bromley license (together, the **Project**) in Montana, USA which is a highly prospective advanced zinc exploration asset.

1.2 Pelley Ridge

The Pelley Ridge zinc Project encompasses two contiguous leases which cover approximately 2,000 hectares. The Project is located near the town of Hot Springs in the Belt Purcell Basin, Montana, and has excellent infrastructure in place with a government-maintained road within the tenue and year-round site access (Figures 1 & 2). The land is not vegetated and has no apparent environmental sensitivities.

Pelley Ridge is a drill-ready, high-grade zinc target located on freehold ground. As such, permits to conduct exploration are generally rapid, and typically take around 4 – 6 weeks to obtain.

The Project was selected as it appears to have a similar stratigraphic setting to the giant sediment-hosted Sullivan zinc mine near Kimberley, British Columbia, which contained a total of 160 million tonnes of ore averaging 12% combined lead-zinc and 2 ounces per tonne silver (containing over 9.5 Mt of zinc).

Historical exploration at the Project highlighted mineralisation that shows affinities to a strata-bound Pb-Zn-Ag SEDEX-type target within a folded sedimentary sequence (Figure 3). Despite some globally significant intercepts in historical drilling including 14.9m @ 5.43% Zn from 71m (including 10.8m @ 7.21% Zn) only limited work has been conducted at the Project.



Figure 1: Location of the Pelley Ridge Project and outline of 'Belt Supergroup' sedimentary basin.

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All historical drill holes and significant zinc results are shown in Table 1 and Appendix 1 of the Company's ASX announcement dated 21 December 2018.

1.3 North American New Project Generation Strategy

The Company is focussed on defining a world class base metal asset within the USA where mining assets appear undervalued due to a lack of capital flows to fund advanced/near term production assets from traditional financing avenues, including the Canadian equity market.

The Pelley Ridge Project is a site specific opportunity, located in 'Elephant' country and deemed prospective for another Sullivan Deposit. Planned work at Pelley Ridge will aim to deliver rapid cost-effective testing of the opportunity and the Company's geological model, representing a low risk/high reward opportunity.

1.4 Key terms of Share Sale Agreement

On 8 May 2019, the Company entered into the Share Sale Agreement to give effect to the Acquisition. The key terms of the Share Sale Agreement are:

- (a) **(Sale and Purchase):** TIN agrees to purchase 100% of the issued capital in MOA, free of any Encumbrance from Nedeel LLC and Ms Cherie Leeden (together, the **Sellers**);
- (b) **(Consideration):** The Company will provide the following consideration for the Acquisition:
 - (i) the payment of project management Fee (defined below), being the amount equal to three percent (3%) of all Company board approved exploration and development work expenditure costs incurred by the Company on the Project, payable to the Sellers (or their nominees), to be capped at US\$4,000,000 with the option to buy out during mine development/construction; and
 - (ii) the issue of 6,750,000 Performance Shares to the Sellers (or their nominees) on the terms and conditions at Schedule 1 (**Performance Shares**).
- (c) **(Conditions Precedent):** Settlement of the Acquisition (**Settlement**) is conditional upon the following outstanding Conditions Precedent being satisfied or waived by the Company;
 - (i) Shareholders approving Resolutions 1 and 2 at the meeting; and
 - (ii) the Company obtaining ASX approval of the terms of the Performance Shares,(each a **Condition Precedent**).
- (d) **(Fee):**
 - (i) The Company shall pay the amount of three percent (3%) of all Exploration and Development Work Expenditures incurred by TIN up until the commercial production of minerals from the Project (**Commercial Production** and the **Fee**) to the Sellers;

- (ii) the Company shall pay the Fee on a quarterly basis and not later than thirty (30) days after the end of each calendar quarter; and
- (iii) the Company shall have the option to purchase the Fee at any time up until the commencement of Commercial Production. The purchase price for the Fee shall be US\$4,000,000 in cash, or, if otherwise mutually agreed by the Sellers and the Company, Shares or a combination of cash and Shares.

The Share Sale Agreement otherwise contains terms and conditions considered standard for an agreement of this nature.

1.5 Competent Person's Statement

The information in this Notice of Meeting that relates to exploration targets, exploration results, mineral resources or ore reserves is based on information compiled by Ms Cherie Leeden, who is consulting Technical Director of the Company. Ms Leeden is a Member of the Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Leeden consents to the inclusion in this Notice of Meeting of the matters based on their information in the form and context in which it appears.

2. RESOLUTION 1 - CREATION OF NEW CLASS OF SECURITIES – PERFORMANCE SHARES

Resolution 1 seeks Shareholder approval for the Company to be authorised to issue 6,750,000 Performance Shares.

A company with a single class of shares on issue which proposes to issue new shares not having the same rights as its existing shares, is taken to vary the rights of existing shareholders unless the Constitution already provides for such an issue.

Under clause 2.2 of the Company's Constitution and, subject to the Corporations Act and the Listing Rules, the Company may issue Shares on any terms and for any consideration as the Directors resolve.

Section 246B of the Corporations Act and clause 2.4 of the Constitution provides that the rights attaching to a class of shares may be varied:

- (a) with the written consent of the holders of 75% of the issued shares of the affected class; or
- (b) by special resolution passed at a separate meeting of the holders of the issued shares of the affected class.

Accordingly, the Company seeks approval from Shareholders for the issue of the Performance Shares as a new class of shares on the terms set out in Schedule 1 of this Explanatory Statement.

Resolution 1 is a special resolution.

3. RESOLUTION 2 – ISSUE OF PERFORMANCE SHARES AS DEFERRED CONSIDERATION

3.1 General

Resolution 2 seeks Shareholder approval for the issue of the Performance Shares at Settlement.

As the Company does not yet have performance shares, Shareholder approval is required to create a new class of securities pursuant to section 246B of the Corporations Act. This approval will be sought under Resolution 1.

The Company currently has the following Securities on issue:

Shares	Options	Performance Shares
30,488,584	12,000,000 ¹	-

Note:

1. Comprising 12,000,000 unlisted Options exercisable at \$0.25 on or before 24 October 2021.

Following Settlement, the Company will have the following Securities on issue (assuming no other Securities are issued):

Shares	Options	Performance Shares
30,488,584	20,000,000 ¹	6,750,000

Note:

1. Comprising 12,000,000 unlisted Options exercisable at \$0.25 on or before 24 October 2021, and 8,000,000 unlisted Options exercisable at \$0.25 on or before 30 June 2023 (being the Chieftain Options the subject of Resolution 3, refer to Section 5 for further information).

Following conversion of the Performance Shares, the Company will have the following Securities on issue (assuming no other Shares are issued and none of the Options or any other convertible Securities which may be issued are exercised or converted):

Shares	Options	Performance Shares
37,238,584	20,000,000 ¹	-

Note:

1. Comprising 12,000,000 unlisted Options exercisable at \$0.25 on or before 24 October 2021, and 8,000,000 unlisted Options exercisable at \$0.25 on or before 30 June 2023 (being the Chieftain Options the subject of Resolution 3, refer to Section 5 for further information).

The Shares issued on conversion of the Performance Shares will comprise:

- (a) 18.12% of the Shares on issue on conversion (assuming no other Shares are issued and none of the Options or any other convertible Securities which may be issued are exercised or converted); and

- (b) 11.79% of the issued capital of the Company on a fully diluted basis (assuming no other Securities are issued).

3.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

The effect of Resolution 2 will be to allow the Company to issue the Performance Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

3.3 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Performance Shares:

- (a) the maximum number of Performance Shares to be issued is 6,750,000.
- (b) the Performance Shares will be issued at Settlement which will occur no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it anticipated that the issue will occur on the same date;
- (c) the Performance Shares will be issued for nil cash consideration in satisfaction of the Acquisition;
- (d) the Performance Shares will be issued to Nedeel LLC (or its nominees);
- (e) Nedeel LLC and its respective nominees, are not related parties of the Company;
- (f) the Performance Shares will be issued on the terms and conditions set out in Schedule 1; and
- (g) no funds will be raised from this issue as the Performance Shares are being issued as part of the consideration payable at Settlement of the Acquisition.

5. RESOLUTION 3 – ISSUE OF CHIEFTAIN OPTIONS

5.1 General

On Settlement, Chieftain Securities (or its nominees) for services provided to the Company in identifying, technical evaluation and securing the Pelley Ridge Project will receive 8,000,000 unlisted options as a transaction facilitation fee, with an exercise price of \$0.25 and expiring on 30 June 2023. Chieftain Securities, under its corporate advisory mandate with the Company, provided consultancy services including identifying the asset, technical analysis and support in relation to the Pelley Ridge Project as part of the Company's due diligence, structuring the transaction for the Company and will continue to provide their services in relation to the Pelley Ridge Project.

Chieftain Securities is a boutique corporate advisory and venture capital firm that holds an AFSL, and is the engaged corporate advisor to the Company. Brett Mitchell is also a director and shareholder of Chieftain, with the transaction facilitation fee an industry standard fee and negotiated on arm's length commercial terms.

Resolution 3 seeks Shareholder approval for the issue of up to 8,000,000 Options (**Chieftain Options**) to Chieftain Securities (or its nominees).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

A summary of ASX Listing Rule 7.1 is set out in section 3.2 above.

The effect of Resolution 3 will be to allow the Company to issue the Chieftain Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placements:

- (a) the maximum number of Options to be issued is 8,000,000;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is likely that issue will occur progressively as each service is provided to the Company;
- (c) the Options will be issued for nil cash consideration as a fee of the Project and the facilitation of the transaction the subject of the Share Sale Agreement;
- (d) the Options will be issued to Chieftain Securities (or its nominees) who are not related parties of the Company;
- (e) the Options will be issued on the terms and conditions set out in Schedule 2; and
- (f) no funds will be raised from the issue of the Chieftain Options, as they will be issued as a fee for the introduction of the Project and the facilitation of the transaction the subject of the Share Sale Agreement.

6. RESOLUTION 4 – ADOPTION OF OPTION AND PERFORMANCE RIGHTS PLAN

Resolution 4 seeks Shareholders approval for the adoption of the employee incentive scheme titled Option and Performance Rights Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to issue securities under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no securities have previously been issued under the Plan.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of securities under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

Any future issues of securities under the Plan to a related party or a person whose relation with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Plan is set out in Schedule 3. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary (**frontdesk@intmines.com.au**). Shareholders are invited to contact the Company if they have any queries or concerns.

GLOSSARY

\$ means Australian dollars.

Acquisition means the Company's acquisition of 100% of the membership interest in Metals of America LLC from Nedeel LLC and Ms Cherie Leeden.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means TNT Mines Limited (ACN 107 244 039).

Constitution means the Company's constitution.

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

Development means all activities proposed or carried out by the Company (including through MOA while it is a subsidiary of the Company) for the purpose of commercial mining operations on the Pelley Ridge Project.

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Exploration means all activities proposed or carried out for the purpose of the discovery, geographic, geologic and economic location and delineation of minerals on the Pelley Ridge Project, including the preparation of feasibility studies.

Exploration and Development Work Expenditure means expenditure by the Company (including through MOA while it is a subsidiary of the Company) on Exploration or Development on the Project pursuant to an exploration or capital works budget approved by the Board from time to time.

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

MOA means Metals of America LLC (a Nevada limited liability company, Nevada Secretary of State entity number E0193452018-9)

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

Performance Share means the performance shares to be issued on the terms and conditions at Schedule 1

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Security means a Share, an Option, a Performance Share or any other security convertible into a Share.

Settlement has the meaning given in Section 1.4.

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

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS OF PERFORMANCE SHARES

The terms and conditions of the Performance Shares are as follows:

- (a) **(Performance Shares):** Each Performance Share is nothing more than a right to receive an actual Share in the capital of TNT Mines Ltd (ACN 107 244 039) (**TIN**), in the future, and only to the extent certain performance standards are attained. If the performance standards are not satisfied, then the Performance Shares lapse.
- (b) **(General meetings):** Each Performance Share confers on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the TIN that are circulated to the holders of fully paid ordinary shares in the capital of the TIN (**Shareholders**). Holders have the right to attend general meetings of Shareholders.
- (c) **(No voting rights):** A Performance Share does not entitle the Holder to vote on any resolutions proposed by TIN except as otherwise required by law.
- (d) **(No dividend rights):** A Performance Share does not entitle the Holder to any dividends.
- (e) **(No rights to return of capital)** A Performance Share does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (f) **(No rights on winding up):** A Performance Share does not entitle the Holder to participate in the surplus profits or assets of TIN upon winding up.
- (g) **(Not transferable):** A Performance Share is not transferable.
- (h) **(Reorganisation of capital):** If at any time the issued capital of TIN is reconstructed (including a consolidation, subdivision, reduction, cancellation or return of issued share capital), all rights of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of reorganisation.
- (i) **(Application to ASX):** The Performance Shares will not be quoted on ASX. However, if TIN is listed on ASX at the time of conversion of the Performance Shares into fully paid ordinary shares (**Shares**), TIN must within 10 Business Days apply for the official quotation of the Shares arising from the conversion on ASX.
- (j) **(No participation in entitlements and bonus issues):** A Performance Share does not entitle a Holder (in their capacity as a holder of a Performance Share) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (k) **(No other rights):** A Performance Share gives the Holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (l) **(Milestone):** Upon the Company announcing a JORC compliant resource estimate for the Project of at least "indicated" status of at least 2 million tonnes of at least 6% Zn equivalent (**Milestone**), each Performance Share will convert into a Share on a one for one basis.

- (m) **(Conversion on change of control)**: Notwithstanding the relevant Milestone has not been satisfied, upon the occurrence of either:
- (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of TIN having received acceptances for more than 50% of TIN's shares on issue and being declared unconditional by the bidder; or
 - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of TIN or its amalgamation with any other company or companies,

that number of Performance Shares that is equal to 10% of the Shares on issue immediately following conversion under this paragraph will convert into an equivalent number of Shares. The conversion will be completed on a pro rata basis across each class of Performance Shares then on issue as well as on a pro rata basis for each Holder. Performance Shares that are not converted into Shares under this paragraph will continue to be held by the Holders on the same terms and conditions.

- (n) **(Deferral of conversion if resulting in a prohibited acquisition of Shares)** If the conversion of a Performance Share under paragraph (l) or (m) would result in any person being in contravention of section 606(1) of the Corporations Act 2001 (Cth) **(General Prohibition)** then the conversion of that Performance Share shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Share would result in a contravention of the General Prohibition:
- (i) Holders may give written notification to the Company if they consider that the conversion of a Performance Share may result in the contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Share will not result in any person being in contravention of the General Prohibition.
 - (ii) The Company may (but is not obliged to) by written notice to a Holder request a Holder to provide the written notice referred to in paragraph (n)(i) within seven days if the Company considers that the conversion of a Performance Share may result in a contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Share will not result in any person being in contravention of the General Prohibition.
- (o) **(Lapse of Performance Share)** each Performance Share shall expire on the date that is 48 months from issue **(Expiry Date)** if the Milestone attached to that Performance Share has not been achieved, at which time the Company will redeem the Performance Shares in accordance with paragraph (p) below. For the avoidance of doubt, a Performance Share will not lapse in the event the Milestone is met before the Expiry Date and the Shares the subject of a conversion are deferred in accordance with paragraph (n) above.

- (p) **(Redemption if Milestone not achieved)** If the Milestone is not achieved by the Expiry Date, then each Performance Share will be automatically redeemed by the Company for the sum of \$0.00001 within 10 Business Days of that Expiry Date.
- (q) **(Conversion Procedure):** TIN will issue the Holder with a new holding statement for the Share issued upon conversion of a Performance Share within 10 Business Days following the conversion.
- (r) **(Ranking upon conversion)** The Share into which a Performance Share may convert will rank pari passu in all respects with the existing Shares.

SCHEDULE 2 – TERMS OF CHIEFTAIN OPTIONS

The terms and conditions of the Chieftain Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 June 2023 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 3 – SUMMARY OF OPTION AND PERFORMANCE RIGHTS PLAN

The material terms and conditions of the Option and Performance Rights Plan are as follows:

- (a) **Eligibility:** Participants in the Plan may be:
- (i) a Director (whether executive or non-executive) of any Group Company;
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by the Class Order; or
- (a) a prospective participant, being a person to whom the Offer is made but **who** can only accept the Offer if an arrangement has been entered into that will result in the person becoming an Eligible Participant under Rules (a), (b) or (c) above,

who is declared by the Board to be eligible to receive grants of Awards under the Plan.

- (b) **Offer:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for Awards, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines (**Offer**).
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Awards offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

Issue price: Performance Rights granted under the Plan will be issued for nil cash consideration. Unless the Options are quoted on the ASX, Options issued under the Plan will be issued for no more than nominal cash consideration.

- (d) **Vesting Conditions:** An Award may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Awards (**Vesting Conditions**).
- (e) **Vesting:** the Board may in its absolute discretion, where Vesting Conditions are deemed to be automatically waived, by written notice to a Participant, resolve to waive any of the Vesting Conditions applying to Awards due to:
- (i) Special Circumstances arising in relation to a Relevant Person in respect of those Performance Rights, being:
 - (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total or permanent disability of a Relevant Person; or

- (II) retirement or redundancy of a Relevant Person;
 - (B) a Relevant Person suffering severe financial hardship;
 - (C) any other circumstance stated to constitute "special circumstances" in the terms of the relevant Offer made to and accepted by the Participant; or
 - (D) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the Relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant; or
 - (ii) a Change of Control occurring (as defined in the Performance Rights and Option Plan); or
 - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (f) **Lapse of an Award:** An Award will lapse upon the earlier to occur of:
- (i) an unauthorised dealing, or hedging of, the Award occurring;
 - (ii) a Vesting Condition in relation to the Award is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the Award;
 - (iii) in respect of unvested Awards only, an Eligible Participant ceases to be a Relevant Person, unless the Board exercises its discretion to vest the Award in the circumstances set out in paragraph (e) or the Board resolves, in its absolute discretion, to allow the unvested Awards to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Awards only, a relevant person ceases to be an Eligible Participant and the Award granted in respect of that person is not exercised within a one (1) month period (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
 - (v) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) the Company undergoes a Change of Control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Award;
 - (vii) the expiry date of the Award.
- (g) **Shares:** Shares resulting from the exercise of the Awards shall, subject to any Sale Restrictions (refer paragraph (h)) from the date of issue, rank on equal terms with all other Shares on issue.

- (h) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Awards, that a restriction period will apply to some or all of the Shares issued to a Participant (or their eligible nominee) on exercise of those Awards up to a maximum of five (5) years from the grant date of the Awards. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.
- (i) **No Participation Rights:** There are no participating rights or entitlements inherent in the Awards and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Awards.
- (j) **Change in exercise price of number of underlying securities:** Unless specified in the offer of the Awards and subject to compliance with the ASX Listing Rules, an Award does not confer the right to a change in exercise price or in the number of underlying Shares over which the Award can be exercised.
- (k) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of an Award are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (l) **Trust:** The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Awards, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Plan to effect the establishment of such a trust and the appointment of such a trustee.

PROXY FORM

TNT MINES LIMITED
ACN 107 244 039

GENERAL MEETING

I/We

of:

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

Name:

OR: the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10AM AWST, on 2 July 2019 at 1202 Hay Street, West Perth and at any adjournment thereof.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Creation of a New Class of Securities – Performance Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Issue of Performance Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Chieftain Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Option and Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

**Consent for contact by e-mail
in relation to this Proxy Form:**

YES NO

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to TNT Mines Limited, 1202 Hay Street West Perth WA 6005; or
 - (b) email to the Company at frontdesk@tntmines.com.au

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.