



MINDAX LIMITED
ACN 106 866 442

NOTICE OF GENERAL MEETING

TIME: 10.00 am

DATE: Friday, 27 April 2012

PLACE: President's Room
The Celtic Club
48 Ord Street
West Perth WA 6005

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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9486 2333.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the general meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00 am on Friday, 27 April 2012 at:

President's Room
The Celtic Club
48 Ord Street
West Perth WA 6005

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

To vote in person, attend the General 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, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member 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.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this General Meeting. Broadly, the changes 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.

Further details on these changes is set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

This notice has been prepared by the Company to comply with the Corporations Act following receipt by the Company of a requisition to convene a general meeting of Shareholders to consider a resolution to remove Directors of the Company.

Notice is given that the general meeting of Shareholders will be held at 10.00 am (WST) on Friday, 27 April 2012 at President's Room, The Celtic Club, 48 Ord Street, West Perth, WA 6005.

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

It has been 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 of the Company at 10.00 am (WST) on Wednesday, 25 April 2012.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

AGENDA

1. RESOLUTION 1 – REMOVAL OF MR GREGORY BROMLEY AS A DIRECTOR

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

"That, pursuant to and in accordance with section 203D of the Corporations Act and the Company's constitution, Mr Gregory Bromley be removed as a director of the Company with effect from the passing of this Resolution."

2. RESOLUTION 2 – REMOVAL OF MR KENNETH PETTIT AS A DIRECTOR

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

"That, pursuant to and in accordance with section 203D of the Corporations Act and the Company's constitution, Mr Kenneth Pettit be removed as a director of the Company with effect from the passing of this Resolution."

3. RESOLUTION 3 – APPOINTMENT OF MR JOHN DOUGLAS STACPOOLE AS A DIRECTOR

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

"That, pursuant to and in accordance with the Company's constitution and for all other purposes, Mr John Douglas Stacpoole, having consented to act as a director of the Company, be appointed as a director of the Company with effect from the passing of this Resolution."

DATED: 23 MARCH 2012

BY ORDER OF THE BOARD


ANGELO FRANCESCA
COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. BACKGROUND

On 5 March 2012, the Company received a notice pursuant to Section 249D of the Corporations Act (**Section 249D Notice or Notice**) from Mr Andrew Tsang, a Director of the Company, who currently holds 22.83% of the shares in the capital of the Company.

At the time of printing this Notice of Meeting, Mr Tsang had not provided a statement setting out the reasons for his Notice, or his reasons to have Messrs Gregory Bromley and Kenneth Pettit removed as Directors of Mindax and to appoint Mr John Stacpoole as a Director of Mindax.

The following, therefore was prepared making some assumptions based on the time-line of events.

As announced to the ASX on 1 March 2012, the Company and Sumitomo Corporation (a company incorporated in Japan) (**Sumitomo**) have entered into a Heads of Agreement (**HoA**) pursuant to which the Company's wholly owned subsidiary, Yilgiron Pty Ltd would potentially form a strategic partnership with Sumitomo to fast track feasibility and development of the DSO component of Mindax's Mt Forrest Iron Project (**the Project**). It is proposed that Sumitomo will have the right to acquire up to a 70% interest in the Project by way of farm-in, spending up to AU\$115 million in stages (**the Transaction**).

In the view of the majority of the Board of Directors, the basis of the framework underpinning the Transaction was discussed by the Company's entire Board of Directors in 2011. The terms of the HoA were not supported by directors Messrs Chow and Tsang when the matter was considered by the Board. The Board resolution was passed by the majority of the Directors in accordance with the Company's Constitution.

It is the view of the majority of the Board of Directors that it is largely Mr Tsang's opposition to the Transaction that has caused Mr Tsang to issue the Section 249D Notice.

The Section 249D Notice requested that the Directors of the Company convene a general meeting to consider and vote on the resolutions as set out in this Notice of Meeting.

Accordingly, the Directors have called and arranged to hold the General Meeting convened by this Notice pursuant to the Section 249D Notice and in accordance with Section 249D of the Corporations Act.

Each of the resolutions set out in this Notice of Meeting has been proposed by Mr Andrew Tsang.

As mentioned above, Mr Tsang has not provided the Company with a statement in accordance with Section 249P of the Corporations Act, for inclusion in this Notice of Meeting.

2. RESOLUTIONS 1 AND 2 – REMOVAL OF DIRECTORS - MESSRS BROMLEY AND PETTIT

Resolutions 1 and 2 are put to Shareholders to consider the removal of Messrs Bromley and Pettit as Directors of the Company.

Pursuant to Section 203D of the Corporations Act, a public company **may** by resolution remove a director from office regardless of any provision in that company's constitution or any agreement between the director and the company.

In accordance with Section 203D(4) of the Corporations Act, Mr Greg Bromley has provided the statement contained in Schedule 1 for inclusion in this Notice of Meeting.

3. RESOLUTION 3 – APPOINTMENT OF MR JOHN DOUGLAS STACPOOLE AS A DIRECTOR

Resolution 3 is put to Shareholders to consider the appointment of Mr John Douglas Stacpoole as a director of the Company.

GLOSSARY

\$ means Australian dollars.

ASX means ASX Limited.

Board means the current board of directors of the Company.

Company means Mindax Limited (ACN 106 866 442).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

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

Proxy Form means the proxy form accompanying the Notice.

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

Section 249D Notice means the notice pursuant to Section 249D of the Corporations Act received by the Company on 5 March 2012 from Mr Andrew Tsang.

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

Shareholder means a holder of a Share.

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

SCHEDULE 1 – STATEMENT FROM MR GREG BROMLEY

The sole requisitioner of the meeting at which shareholders will be asked to remove me from my position of Managing Director of Mindax, Mr Tsang, has provided shareholders with no reasons for his decision. This action challenges my integrity, my commercial judgment and my responsibility to all shareholders.

His decision to requisition a meeting followed on the Company's announcement to ASX on 1 March 2012 of signing of the Heads of Agreement for Sumitomo's proposed farm-in the Mt Forrest Project aimed at fast tracking DSO production. I must assume it was this deal that led to him to seek the removal of both myself and Mr Pettit as directors supporting this deal. I urge shareholders to read the company's announcement of 1 March 2012 concerning the Sumitomo transaction which is available on the Company's web site www.mindax.com.au.

I also assume that if we are removed as directors, Mr Tsang and his nominee to the Board have other plans for the future of the Company and the Mt Forrest Project, although Mr Tsang has not chosen to share those plans with all shareholders. This is not acceptable – Mr Tsang should explain what he intends to do when he attains control of the Board.

I hold 3% of the company which for me is very significant investment. I am concerned that the changes to the board that Mr Tsang has initiated are neither in the short or long term interest of the Company and may put at risk what is potentially a very elegant transaction with a very good and motivated partner of international status. Any consequential impact of this action on share price may adversely influence ongoing funding of the Company's activities.

I am concerned that the composition of the Board after these changes will be less well equipped technically and legally than it currently is to deal with the complexities of taking the project forward in the current West Australian infrastructure environment.

It is the longer-term implications that are of greater concern as any interruption to the processes now underway with Sumitomo (which are highlighted in the Company's announcement) could significantly imperil the momentum of the Project towards production and securing the critical mine to port connection. I believe that the relationship that we develop with Sumitomo will provide a unique competitive advantage to Mindax's production objectives.

I believe that the Sumitomo deal once consummated will prove to be of significant benefit to Mindax and its shareholders. The key advantages (once the farm-in has been fully completed) will be:

- a) an attractive price for a non-producing iron asset in the present market;
- b) fast tracking the future development of the DSO component of the Project through the critical feasibility phase;
- c) Mindax will not be required to contribute to the feasibility studies and its contribution to development costs will be 10% not 30%;
- d) provides Mindax with working capital to add value to its other projects including our significant uranium resource;
- e) substantially de-risks future magnetite concentrate product by securing 70% of funding of any future iron product development; and
- f) Shareholders' interest in the Company (and therefore its other assets) will not be diluted or confused by a Sumitomo equity position in Mindax

In simple terms, immediately before the Sumitomo deal was announced the market capitalisation of the company was \$25M. Sumitomo will spend up to nearly five times that base figure (\$116M) to secure an initial DSO product stream and cash flow and earn its 70% equity. That resets the current project value to \$164M and deems the Mindax equity to \$49M (70:30). Further, if the future business case exists for a magnetite product, Sumitomo has to meet 70% of the cost of the required capital, currently estimated at circa \$2 billion.

I founded Mindax in 2003. With the founding Board members we were able to raise the funds to list the Company a year later. Many of those early investors remain loyal to Mindax to this day.

Mindax since inception has raised funds totalling \$36M. A commendable 80% of this has been put into the ground as exploration costs, demonstrating an extremely low corporate overhead cost.

The prudent expenditure of these funds, thanks to the expertise of our team have produced two greenfield discoveries at JORC resource level, an enviable accomplishment for any exploration company. Mt Forrest has attracted some \$13M of the funds for 1.3 billion tonnes of JORC resource, a discovery cost of 1 cent per tonne in a period of only 2 years.

I am proud of that performance, of my technical team, of my Board, of their advice, of their support. I am very humbled by the support of those shareholders who have repeatedly funded the Company. While market support is important, the availability of working capital is critical particularly in these hard times. I see the Sumitomo deal as being the payback for that collective effort and faith.

My background is very much imbedded in the mining industry. My industrial experience spans 40 years. Graduating in Geology at the Royal Melbourne Institute of technology, I have had the pleasure of an "apprenticeship" with Australia's most successful exploration company, CRA (now RTZ) where I participated in a number of significant discoveries. I became Employee 13 of Normandy Mining once Australia's largest gold producer and a major world producer. I have practiced globally as a Consultant participating in further discovery and the development of mining operations. I am a Fellow of the Australasian Institute of Mining and Metallurgy, have Chartered Professional status, am a member of the Society of Economic Geologists.

I am the inaugural Chair of the Yilgarn Iron Producers Association that has played a significant role in the infrastructure developments now taking place in the Yilgarn area, critical to the future development of Mt Forrest.

My vision which is well known to my fellow Directors, is that Mindax become the holder of interests in mineral production off the back of home grown discovery. We are well on that track with Mt Forrest and with that demonstrated ability to get a project going, with another in the wings, the true value to shareholders will be realised. What alternative is being offered and what track record can be pointed to?

PROXY FORM

APPOINTMENT OF PROXY MINDAX LIMITED ACN 106 866 442 GENERAL MEETING

I/We

of

being a member of Mindax Limited entitled to attend and vote at the General Meeting, hereby

Appoint

Name of proxy

OR ☐ the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, 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 General Meeting to be held at 10.00 am (WST), on Friday, 27 April 2012 at President's Room, The Celtic Club, 48 Ord Street, West Perth, WA 6005, and at any adjournment thereof.

If no directions are given, the Chair will vote against all the Resolutions in which the Chair is entitled to vote undirected proxies.

OR

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Removal of Mr Gregory Bromley as a Director	☐	☐	☐
Resolution 2 – Removal of Mr Kenneth Pettit as a Director	☐	☐	☐
Resolution 3 – Appointment of Mr John Douglas Stacpoole as a Director	☐	☐	☐

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 Member(s):

Date:

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

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

Mindax Limited
ACN 106 866 442

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and cast a vote at a General Meeting is entitled to appoint a proxy to attend and vote on their behalf at the meeting. If the member is entitled to cast 2 or more votes at the meeting, the member 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 member who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints 2 proxies and the appointments do not specify the proportion or number of the member'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 member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. 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 member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members 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 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.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return it to the Company by:
 - (a) post to Level 2, 25 Richardson Street, West Perth, WA 6100 or PO Box 92, West Perth, WA, 6872; or
 - (b) facsimile on facsimile number (+61 8) 9485 2500; or
 - (c) email at info@mindax.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.