



ABN 40 119 568 106

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT

PROXY FORM

Date of Meeting

14 November 2017

Time of Meeting

10.00am (WST)

Place of Meeting

Level 1, 1 Altona Street
West Perth WA 6005

YOUR ANNUAL REPORT IS AVAILABLE ONLINE, SIMPLY VISIT

<http://redmm.com.au/investors-and-media/reports/>

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 9322 1587.

TIME AND PLACE OF MEETING AND HOW TO VOTE

Venue

The Annual General Meeting of the Shareholders of Red Mountain Mining Ltd will be held at 10.00am WST on 14 November 2017 at:

Level 1
1 Altona Street
West Perth WA 6005

Voting Entitlement

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth), the Board has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person as set out in the register of Shareholders as at 5pm (WST) on Sunday 12 November 2017. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the Meeting.

How to Vote

You may vote by attending the meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the meeting on the date and at the place set out above. The meeting will commence at 10.00am WST.

Voting by Proxy

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- send the Proxy Form by facsimile to the Company's share registry on facsimile number 1800 783 447 (within Australia) or (61 3) 9473 2555; or
- deliver or post the Proxy Form to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001.

so that it is received by no later than 10.00am WST on 12 November 2017, being 48 hours before the Meeting.

Your Proxy Form is enclosed.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Red Mountain Mining Ltd ABN 40 119 568 106 ("**Company**") will be held at Level 1, 1 Altona Street, West Perth, Western Australia 6005 on 14 November 2017 at 10.00am WST, for the purpose of transacting the business referred to in this Notice of Annual General Meeting ("**Notice**").

An Explanatory Statement, containing information in relation to the following Resolutions, and a Proxy Form accompanies and forms part of this Notice. Please note capitalised terms used in this Notice have the meanings set out in the glossary of the Explanatory Statement accompanying this Notice.

AGENDA

GENERAL BUSINESS:

Financial Reports

To receive and consider the annual financial report of the Company including the declaration of the Directors, the Directors' report, the Remuneration Report and the auditors' report, for the financial year ended 30 June 2017.

Note: there is no requirement for Shareholders to approve these reports.

Resolution 1 – Non Binding Resolution to adopt Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **non-binding advisory only resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report for the financial year ended 30 June 2017."

Note: The vote on this Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement

The Company will disregard any votes cast on this Resolution 1 by or on behalf of either of the following persons (the "voter"):

- (a) a member of the Key Management Personnel of the Company, details of whose remuneration are included in the Remuneration Report;
- (b) a Closely Related Party of such a member.

However, the voter described above may cast a vote on this Resolution 1 as a proxy if the vote is not cast on behalf of a person described in paragraphs (a) or (b) above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution 1; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution 1; and
 - (ii) expressly authorises the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

Resolution 2 – Election of Mr Robert Parton as a Director

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

"That Mr Robert Parton, who was appointed as an additional director of the Company on 1 December 2016 and who retires in accordance with clause 7.3(f) of the Constitution and Listing Rule 14.4 and, being eligible, offers himself for election, be elected as a Director of the Company."

Resolution 3 – Re-election of Mr Lincoln Ho as a Director

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

"That for the purpose of clause 7.3(a) of the Constitution and Listing Rule 14.4 and for all other purposes, Mr Lincoln Ho, a Director, retires by rotation and, being eligible, is re-elected as a Director of the Company."

Resolution 4 – Ratification of issue of 25,000,000 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 7.4 and for all other purposes, Shareholders ratify the issue of 25,000,000 Options (exercisable at \$0.018 each on or before 13 December 2019) for nil cash consideration to various service providers under ASX Listing Rule 7.1 and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 4 by any person who participated in the issue the subject of Resolution 4 and any Associate of that person. However, the Company need not disregard a vote if the vote is cast by such a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or the vote is cast by the Chair 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. **For the purpose of this voting exclusion statement "Associate" shall have the meaning set out in sections 12 and 16 of the Corporations Act. Section 12 of the Corporations Act is to be applied as if it extends to the Listing Rules and on the basis that the Company is the "designated body".**

Resolution 5 – Ratification of issue of 1,333,333 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 7.4 and for all other purposes, Shareholders ratify the issue of 1,333,333 Shares issued at a deemed issue price of \$0.03 per Share to a consultant of the Company under ASX Listing Rule 7.1 and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 5 by any person who participated in the issue the subject of Resolution 5 and any Associate of that person. However, the Company need not disregard a vote if the vote is cast by such a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or the vote is cast by the Chair 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. **For the purpose of this voting exclusion statement "Associate" shall have the meaning set out in sections 12 and 16 of the Corporations Act. Section 12 of the Corporations Act is to be applied as if it extends to the Listing Rules and on the basis that the Company is the "designated body".**

Resolution 6 – Ratification of issue of 23,989,101 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 7.4 and for all other purposes, Shareholders ratify the issue of 23,989,101 Shares at an issue price of \$0.011 (1.1 cent) per Share to sophisticated and professional investors under ASX Listing Rule 7.1 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 6 by any person who participated in the issue the subject of Resolution 6 and any Associate of that person. However, the Company need not disregard a vote if the vote is cast by such a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or the vote is cast by the Chair 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. **For the purpose of this voting exclusion statement “Associate” shall have the meaning set out in sections 12 and 16 of the Corporations Act. Section 12 of the Corporations Act is to be applied as if it extends to the Listing Rules and on the basis that the Company is the “designated body”.**

Resolution 7 – Ratification of issue of 42,920,081 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 7.4 and for all other purposes, Shareholders ratify the issue of 42,920,081 Shares at an issue price of \$0.011 (1.1 cent) per Share to sophisticated and professional investors under ASX Listing Rule 7.1A and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 7 by any person who participated in the issue the subject of Resolution 7 and any Associate of that person. However, the Company need not disregard a vote if the vote is cast by such a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or the vote is cast by the Chair 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. **For the purpose of this voting exclusion statement “Associate” shall have the meaning set out in sections 12 and 16 of the Corporations Act. Section 12 of the Corporations Act is to be applied as if it extends to the Listing Rules and on the basis that the Company is the “designated body”.**

Resolution 8 – Ratification of issue of 10,000,000 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 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Shares for nil cash consideration under Listing Rule 7.1 to the parties and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 8 by any person who participated in the issue the subject of Resolution 8 and any Associate of that person. However, the Company need not disregard a vote if the vote is cast by such a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or the vote is cast by the Chair 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. **For the purpose of this voting exclusion statement “Associate” shall have the meaning set out in sections 12 and 16 of the Corporations Act. Section 12 of the Corporations Act is to be applied as if it extends to the Listing Rules and on the basis that the Company is the “designated body”.**

Resolution 9 – Ratification of issue of 4,000,000 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 7.4 and for all other purposes, Shareholders ratify the issue of 4,000,000 Shares for nil cash consideration under Listing Rule 7.1 to the parties and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 9 by any person who participated in the issue the subject of Resolution 9 and any Associate of that person. However, the Company need not disregard a vote if the vote is cast by such a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or the vote is cast by the Chair 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. **For the purpose of this voting exclusion statement “Associate” shall have the meaning set out in sections 12 and 16 of the Corporations Act. Section 12 of the Corporations Act is to be applied as if it extends to the Listing Rules and on the basis that the Company is the “designated body”.**

Resolution 10 – Approval of Additional 10% Placement Capacity

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

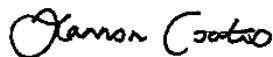
“That, for the purpose of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement that forms part of this Notice.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution 10 by any person who may participate in the issue of Equity Securities under the Additional 10% Placement Capacity and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 10 is passed, and any Associate of those persons. However, the Company need not disregard a vote if the vote is cast by such person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or the vote is cast by the Chair 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.

OTHER BUSINESS

To transact any other business which may be properly brought before the Meeting in accordance with the Company's Constitution and the Corporations Act.

BY ORDER OF THE BOARD



Shannon Coates
Company Secretary
18 September 2017

NOTES:

1. 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.
2. A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies to attend and vote on behalf of the Shareholder. A proxy need not be a Shareholder of the Company, but must be a natural person (not a corporation). A proxy may also be appointed by reference to an office held by the proxy (eg "the Company Secretary").
3. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Shareholder's voting rights. If no such proportion is specified, each proxy may exercise half of the Shareholder's votes.
4. A Proxy Form is enclosed. A separate form must be used for each proxy. An additional form can be obtained by writing to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001 or by fax to 1800 783 447 (within Australia) or (+61 3) 9473 2555. Alternatively, you may photocopy the enclosed form.
5. A duly completed Proxy Form and (where applicable) any power of attorney or a certified copy of the power of attorney must be received by the Company's at its share registry or the address or fax number set out below, **not less than 48 hours before** the time for commencement of the Meeting. Please send by post to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001 or by fax to 1800 783 447 (within Australia) or (+61 3) 9473 2555.
6. Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.
7. The Chairman of the Meeting will vote all undirected proxies on, and in **FAVOUR** of all Resolutions. In relation to Resolution 1, if the Chair of the meeting is appointed as your proxy, and you have not directed the Chair how to vote, then by completing and returning the Proxy Form the Chair is expressly authorised to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Any undirected proxies held by a member of the Key Management Personnel of the Company or any of their Closely Related Parties (who are not the Chair of the Meeting) will not be voted on Resolution 1. Key Management Personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's Key Management Personnel for the financial year 30 June 2017. Their Closely Related Parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control.
8. The Company will accept proxy appointments by a corporate Shareholder executed in accordance with either section 127(1) (not under seal) or section 127(2) (under seal) of the Corporations Act.
9. The time nominated in accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth) by the Board for the purpose of determining the voting entitlements at the Meeting is 5.00 pm WST on 12 November 2017.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the 2017 Annual General Meeting of Red Mountain Mining Limited (**Company**).

The Explanatory Statement and all attachments are important documents. They should be read carefully. The Directors recommend Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

1. FINANCIAL STATEMENTS

The first item of the Notice of Annual General Meeting deals with the receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2017 together with the Directors' declaration, the directors report, the Remuneration Report and the auditor's report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The reports are available on the Company's website at www.redmm.com.au.

No resolution is required to be moved in respect of this item. Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the independent Audit Report;
- the accounting policies adopted by the Company in relation to the preparation of accounts; and
- the independence of the Auditor in relation to the conduct of the audit.

2. RESOLUTION 1 - NON BINDING RESOLUTION TO ADOPT REMUNERATION REPORT

2.1 Background

The Directors' Report for the year ended 30 June 2017 contains a remuneration report which sets out the policy for and details of the remuneration of the Directors and executives of the Company for the year ended 30 June 2017 (**Remuneration Report**).

Pursuant to section 250R(2) of the Corporations Act, the Company must submit to its Shareholders the Remuneration Report for consideration and adoption at the Annual General Meeting. The Chair must allow a reasonable opportunity for the Shareholders to ask questions about, or make comments on, the Remuneration Report.

Section 250R(3) of the Corporations Act expressly provides that the vote on this Resolution is advisory only and does not bind the Directors or the Company. Pursuant to the Corporations Act, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the Company. At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

Shareholders should be aware that if the Remuneration Report for the year ended 30 June 2017 receives a strike at this Annual General Meeting, and a second strike is received at the 2018 general meeting, this may result in the re-election of the Board.

If you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the Proxy Form for this item of business. If you appoint a member of the Key Management Personnel of the Company whose remuneration details are included in the Remuneration Report or a Closely Related Party of that member (except the Chair of the Meeting) as your proxy, and you do not direct that person on how to vote on this Resolution 1, the proxy cannot exercise your vote and your vote will not be counted in relation to this Resolution 1.

If you appoint the Chair as your proxy (or the Chair becomes your proxy by default), and you do not direct the Chair on how to vote on this Resolution 1, then by signing and returning the Proxy Form you are giving express authorisation for the Chair to vote in accordance with his or her intentions, even though Resolution 1 is connected with the remuneration of a member of the Key Management Personnel of the Company. **The Chair intends to vote all undirected proxies FOR Resolution 1.**

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions given	No directions given
Key Management Personnel ¹	Vote as directed	Unable to vote ³
Chair ²	Vote as directed	Able to vote at discretion of Proxy ⁴
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

¹ Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

² Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member).

³ Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

⁴ The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

2.2 Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 1.

3. RESOLUTION 2 - ELECTION OF MR ROBERT PARTON AS A DIRECTOR

3.1 Background

Rule 7.2(b) of the Constitution states that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Rule 7.3(f) of the Constitution provides that any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election.

Listing Rule 14.4 provides that a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Mr Parton was appointed as a Director on 1 December 2016. In accordance with Rule 7.3(f) of the Constitution and Listing Rule 14.4, Mr Parton will retire and seek re-election as a Director at this Annual General Meeting.

Mr Parton has spent 20 years providing business analysis and management at companies including BHP, Kraft Foods, Crane Group, Mitre 10 and PDL Electronics (part of the Schneider Electric Group). Since 2006, Mr Parton has been providing corporate advisory services utilising his extensive experience in business management, project evaluation and capital-raising across various sectors including real estate, cleantech, IT and manufacturing. He has been involved in transaction management from sourcing, analysis and due diligence evaluation through to settlement and is a qualified accountant with over 20 years' membership with CPA Australia.

Mr Parton is currently a Director of The Pioneer Development Fund (Aust) Limited, Pure Minerals Limited, and has previously served on the board of ASX-listed companies Basper Limited (now Direct Money Limited), Telesso Technologies Limited, Motopia Limited and Viculus Limited.

3.2 Directors' Recommendation

The Board (other than Mr Parton) recommends that Shareholders vote in favour of Resolution 2.

The Chair intends to exercise all available proxies in favour of Resolution 2.

4. RESOLUTION 3 – RE-ELECTION OF MR LINCOLN HO AS A DIRECTOR

4.1 Background

In accordance with Rule 7.3(b) of the Constitution, at every annual general meeting of the Company an election of Directors must take place. Listing Rule 14.4 and Rule 7.3(a) of the Constitution prevent a Director from holding office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer.

Mr Ho was appointed to the Board by shareholders on 1 July 2016. With a background in equities trading for over 8 years, Mr Ho is the founding director of a private boutique corporate advisory firm in Australia. He has wide knowledge and experience in corporate restructure, mergers and acquisitions. Mr Ho has the ability to negotiate deals across local & overseas markets, working in conjunction with experienced corporate financiers across the emerging caps space. In particular, Mr Ho has a focus on a network of industry and finance contacts across South-East Asia.

4.2 Directors' Recommendation

The Board (other than Mr Ho) recommends that Shareholders vote in favour of Resolution 3.

The Chair intends to exercise all available proxies in favour of Resolution 3.

5. RESOLUTION 4 – RATIFICATION OF ISSUE OF 25,000,000 OPTIONS

5.1 Background

On 12 April 2017 the Company issued 25,000,000 Options, exercisable at \$0.018 each on or before 13 December 2019 (**RMXOH Options**) as part consideration for capital raising and corporate advisory services provided to the Company.

The RMXOH Options were issued under the Company's annual 15% placement capacity under ASX Listing Rule 7.1.

ASX Listing Rule 7.1 broadly provides that a company may, during any 12 month period, issue equity securities up to 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period without shareholder approval. ASX Listing Rule 7.1A enables certain eligible entities to seek shareholder approval to issue Equity Securities up to 10% of its issued share capital over a 12 month period after the annual general meeting at which a resolution for the purposes of ASX Listing Rule 7.1A is passed by special resolution. This additional 10% placement capacity is in addition to a company's 15% placement capacity under ASX Listing Rule 7.1. The Company obtained approval from Shareholders to issue Equity Securities under ASX Listing Rule 7.1A at the Company's last annual general meeting held on 15 November 2016.

ASX Listing Rule 7.4 permits the ratification of securities issued without shareholder approval under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 and ASX Listing Rule 7.1A (and provided that the previous issue did not breach ASX Listing Rule 7.1 and ASX Listing Rule 7.1A), those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1. The purpose of such ratification is to restore the Company's power to issue further securities without shareholder approval within the 15% limit under ASX Listing Rule 7.1 and additional 10% capacity under ASX Listing Rule 7.1A.

Accordingly, Resolution 4 seeks Shareholder ratification of the issue of the RMXOH Options under ASX Listing Rule 7.4 to provide flexibility for the Company to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

5.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the issue of the RMXOH the subject of Resolution 4:

- (a) 25,000,000 RMXOH Options were issued for nil cash consideration as they were issued as part consideration for capital raising and corporate advisory services;
- (b) the RMXOH Options have an exercise price of \$0.018 each and an expiry date of 13 December 2019. The full terms and conditions of the RMXOH Options are set out in Schedule 1 to this Explanatory Statement;
- (c) the RMXOH Options were issued to nominees of Xcel Capital Pty Ltd, none of whom are related parties of the Company;
- (d) no funds were raised from the issue of the RMXOH Options as they were issued as part consideration for the provision of capital raising and corporate advisory services; and
- (e) a voting exclusion statement for Resolution 4 is included in the Notice of Meeting preceding this Explanatory Statement.

5.3 Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 4.

6 RESOLUTION 5 – RATIFICATION OF ISSUE OF 1,333,333 SHARES

6.1 Background

On 27 June 2017, the Company issued 1,333,333 Shares at a deemed issue price of \$0.03 per Share under the Company's annual 15% placement capacity under ASX Listing Rule 7.1 to a nominee of consultant Stocks Digital in lieu of a cash payment for marketing services provided to the Company.

A summary of ASX Listing Rule 7.1 and ASX Listing Rule 7.4 is provided in section 5.1 of this Explanatory Statement.

Accordingly, Resolution 5 seeks Shareholder ratification of the issue of the Shares set out above under ASX Listing Rule 7.4 to provide flexibility for the Company to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

6.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the issue of the Placement Shares the subject of Resolution 5:

- (a) 1,333,333 Shares were issued at a deemed issue price of \$0.03 per Share;
- (b) the Shares issued are fully paid ordinary shares in the capital of the Company on the same terms and conditions as, an ranking equally with, the Company's existing Shares;
- (c) the Shares were issued to a nominee of consultant Stocks Digital in lieu of cash consideration for marketing services provided to the Company;
- (d) no funds were raised from the issue as the Shares were issued in lieu of a cash payment for services provided to the Company; and
- (e) a voting exclusion statement for Resolution 5 is included in the Notice of Meeting preceding this Explanatory Statement.

6.3 Board recommendation

The Board unanimously recommend Shareholders vote in favour of Resolution 5.

7. RESOLUTIONS 6 AND 7 - RATIFICATION OF ISSUE OF PLACEMENT SHARES

7.1 Background

As announced to ASX on 6 September 2017, the Company issued 23,898,101 Shares pursuant to the Company's capacity under ASX Listing Rule 7.1 at an issue price of \$0.011 (1.1 cent) per Share and 42,920,081 Shares pursuant to the Company's capacity under ASX Listing Rule 7.1A (**Placement Shares**), at an issue price of \$0.011 (1.1 cent) per Share to raise a total of approximately \$735,000 (before costs) (**Placement**).

A summary of ASX Listing Rule 7.1 and ASX Listing Rule 7.4 is provided in section 5.1 of this Explanatory Statement.

Accordingly, Resolutions 6 and 7 seeks Shareholder ratification of the issue of the Placement Shares under ASX Listing Rule 7.4 to provide flexibility for the Company to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 and additional 10% capacity as set out in ASX Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

7.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the issue of the Placement Shares the subject of Resolutions 6 and 7:

- (a) 66,818,182 Shares were issued, where:
 - (i) 23,898,101 Shares were issued under the Company's annual 15% placement capacity under ASX Listing Rule 7.1 at an issue price of \$0.011 per Share; and
 - (ii) 42,920,081 Shares were issued under the Company's additional 10% placement capacity under ASX Listing Rule 7.1A at an issue price of \$0.011 per Share;
- (b) the Shares issued are fully paid ordinary shares in the capital of the Company on the same terms and conditions as, an ranking equally with, the Company's existing Shares;
- (c) the Shares were issued to sophisticated and professional investors, who are not related parties of the Company;
- (d) the funds raised from the issue of the Placement Shares will be used towards earn-in exploration activities at the Mokabe-Kasari Cobalt-Copper Project (**Mokabe-Kasiri Project**), ongoing identification and due diligence on additional asset and project opportunities; and for general working capital and any costs associated with the Placement; and
- (e) a voting exclusion statement for Resolutions 6 and 7 are included in the Notice of Meeting preceding this Explanatory Statement.

7.3 Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolutions 6 and 7.

8. RESOLUTIONS 8 AND 9 – RATIFICATION OF SHARE ISSUES RELATING TO THE MOKABE-KASIRI PROJECT

8.1 Background

On 8 September 2017, the Company issued 10,000,000 Shares for nil cash consideration (**Shares**) to CoCu Metals Limited (**CoCu**) and their nominees as part consideration for the Company's earn-in of up to 90% of the Mokabe-Kasiri Project located in world famous Democratic Republic of Congo (**DRC**) Cobalt belt, as announced to ASX on 6 September 2017. 7,500,000 of these Shares are subject to a 12 month escrow. A further 4,000,000 Shares were issued to the Company's corporate adviser, Xcel Capital Pty Ltd, for corporate advisory services provided in relation to the negotiation of the commercial terms for the earn-in to the Mokabe-Kasiri Project.

The Shares were issued under the Company's annual 15% placement capacity under ASX Listing Rule 7.1. A summary of ASX Listing Rule 7.1 and ASX Listing Rule 7.4 is provided in section 5.1 of this Explanatory Statement.

Accordingly, Resolutions 8 and 9 seek Shareholder ratification of the issue of the Shares set out above under ASX Listing Rule 7.4 to provide flexibility for the Company to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

8.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the issue of the Placement Shares the subject of Resolutions 8 and 9:

- (a) 14,000,000 Shares were issued for nil cash consideration as they were issued in part consideration for the earn-in acquisition of Mokabe-Kasiri Project in DRC ;
- (b) the Shares issued are fully paid ordinary shares in the capital of the Company on the same terms and conditions as, an ranking equally with, the Company's existing Shares;
- (c) the Shares were issued to CoCu Metals Limited (10,000,000) and Xcel Capital (4,000,000) in part consideration for the earn-in acquisition of Mokabe-Kasiri Project in DRC pursuant to revised commercial terms with CoCu for the Company to earn up to 90% of the Mokabe-Kasiri Project as announced to ASX on 6 September 2017, and corporate advisory services provided in relation to the earn in;
- (d) no funds were raised from the issue as the Shares were issued in part consideration for the earn-in acquisition of Mokabe-Kasiri Project and corporate advisory services provided in relation to the earn-in; and
- (e) Voting exclusion statements for Resolutions 8 and 9 are included in the Notice of Meeting preceding this Explanatory Statement.

8.3 Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolutions 8 and 9.

9. RESOLUTION 10 - APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

9.1 Background

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued share capital over a 12 month period after the annual general meeting at which a resolution for the purposes of Listing Rule 7.1A is passed by special resolution (**Additional 10% Placement Capacity**). The Additional 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An entity will be eligible to seek approval under Listing Rule 7.1A if: (a) the entity has a market capitalisation of \$300 million or less; and (b) the entity is not included in the S&P ASX 300 Index, as at the time of the Annual General Meeting. The Company's market capitalisation as at 18 September 2017 is \$7,670,285 based on the closing price of the Company's shares on ASX on 18 September 2017. The Company is an eligible entity for the purposes of Listing Rule 7.1A as at the date of this Notice and is expected to be an eligible entity as at the time of the Annual General Meeting.

If Shareholders approve Resolution 10, the number of Equity Securities to be issued under the Additional 10% Placement Capacity will be determined in accordance with the formula set out in Listing Rule 7.1A.2 (as set out in Section 7.3 below).

The Company is putting Resolution 10 to Shareholders to seek approval to issue additional Equity Securities under the Additional 10% Placement Capacity.

9.2 Listing Rule 7.1A

Listing Rule 7.1A came into effect on 1 August 2012 and enables an eligible entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the eligible entity's 15% annual placement capacity.

The effect of Resolution 10 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without subsequent Shareholder approval and without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice the Company has on issue four classes of quoted Equity Securities, namely Shares (ASX Code: RMX), Listed Options exercisable at \$0.048 each on or before 31 March 2018 (ASX Code: RMXOF), Listed Options exercisable at \$0.015 each on or before 21 November 2019 (ASX Code: RMXOG) and Listed Options exercisable at \$0.018 each on or before 13 December 2019 (ASX Code: RMXOH).

As at the date of this Notice, the Company has 511,352,320 Shares on issue. Accordingly, if Shareholders approve all of the resolutions at this Annual General Meeting, the Company will have the capacity to issue approximately 51,135,232 Equity Securities under the Additional 10% Placement Capacity. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based on the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities. The table below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

Resolution 10 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

9.3 Specific information required by Listing Rule 7.3A

The following information in relation to the Shares to be issued is provided to Shareholders for the purposes of Listing Rule 7.3A:

- (a) Equity Securities issued under the Additional 10% Placement Capacity will be issued at an issue price of not less than 75% of the volume weighted average price for securities in the same class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) The precise number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the following formula:

$$(A \times D) - E$$

A is the number of fully paid shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the previous 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the previous 12 months;
- (C) plus the number of fully paid shares issued in the previous 12 months with approval of holders of Shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval;

- (D) less the number of fully paid shares cancelled in the previous 12 months.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

If Resolution 10 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Capacity, the existing Shareholders' economic and voting interests in the Company will be diluted (in the case of quoted Options, only if the quoted Options are exercised). There is also a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date of the Equity Securities, or the Equity Securities are issued as part consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders of the issue of the **maximum** number of Equity Securities under the Additional 10% Placement Capacity using different variables for the number of ordinary securities for variable "A" (as defined in Listing Rule 7.1A) and the market price of Shares. It is noted that variable "A" is based on the number of ordinary securities the Company has on issue at the time of the proposed issue of Equity Securities. Variable "A". The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.

The table shows:

- (i) examples of where variable "A" is calculated as at the date of this Notice of Meeting, and where variable "A" has increased by 50% and by 100%;
- (ii) examples of where the issue price of ordinary securities is the current market price as at close of trade on 18 September 2017 (**current market price**), where the issue price is halved, and where it is doubled; and

- (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.

Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.008 Issue Price at half the current market price	\$0.015 Issue Price at current market price	\$0.030 Issue Price at double the current market price
Current Variable A 511,352,320 Shares	Shares issued	51,135,232	51,135,232	51,135,232
	Funds raised	\$383,514	\$767,028	\$1,534,057
50% increase in current Variable A 767,028,480 Shares	Shares issued	76,702,848	76,702,848	76,702,848
	Funds raised	\$572,271	\$1,150,543	\$2,301,085
100% increase in current variable A 1,022,704,640 Shares	Shares issued	102,270,464	102,270,464	102,270,464
	Funds raised	\$767,028	\$1,534,057	\$3,068,114

Note: this table assumes:

- (i) Current Variable A is 511,352,320, being the number of ordinary securities on issue at the date of this Notice of Meeting.
- (ii) The Company issues the maximum number of Equity Securities available under the Additional 10% Placement Capacity.
- (iii) The Company has not issued any other Equity Securities using its placement capacity under Listing Rule 7.1A in the 12 months preceding the Annual General Meeting.
- (iv) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
- (v) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (vi) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

- (vii) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (viii) The issue of Equity Securities under the Additional 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes listed Options, it is assumed that those listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - (ix) The issue price is \$0.015, being the closing price of the Shares on ASX on 18 September 2017.
- (c) Approval of the Additional 10% Placement Capacity will be valid from the date of the Annual General Meeting and will expire on the earlier of:
- (i) the date that is 12 months after the date of the Annual General Meeting; and
 - (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(Additional Placement Period).

The Company will only issue Equity Securities under the Additional 10% Placement Capacity during the Additional Placement Period.

- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) cash consideration. If Equity Securities are issued for cash consideration, the Company intends to use the funds for any of acquisition of new assets or investments (including the expenses associated with such acquisition), expenditure on the Company's current Philippines projects or new assets or investments or general working capital purposes; or
 - (ii) non-cash consideration for the acquisition of new assets, investments or for services provided to the Company. If Equity Securities are issued for non-cash consideration, the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 in relation to such issue and will release the valuation of the non-cash consideration to the market.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

- (e) The Company's allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity will be determined having regard to market conditions at the time of the proposed issue of Equity Securities, including consideration of the following matters:
- (i) the purpose of the issue;

- (ii) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities and whether the raising of any funds under such placement could be carried out by means of an entitlements offer, or a placement and an entitlements offer or other offer where existing Shareholders may participate;
- (iii) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of proposed issue of Equity Securities;
- (iv) the effect of the issue of the Equity Securities on the control of the Company;
- (v) the circumstances of the Company, including, but not limited to, the financial situation and solvency of the Company; and
- (vi) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

The recipients under the Additional 10% Placement Capacity have not been determined as at the date of this Notice but will not include related parties (or their associates) of the Company. The recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments. In the case of the issue of Equity Securities for services, the allottees will be service providers.

At the date of this Notice, the Company has not determined its allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the Additional 10% Placement Capacity.

- (f) Previous approval under Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 15 November 2016 (**Previous Approval**).

In the 12 months preceding the date of the 2017 Annual General Meeting and as at the date of this Notice, the Company has issued 165,810,138 Equity Securities and this represents 48% of the total number of Equity Securities on issue at the commencement of that 12 month period.

Details of each issue of Equity Securities by the Company during the 12 months preceding the date of this Meeting are in Schedule 2.

- (g) A voting exclusion statement for Resolution 10 is included in the Notice preceding this Explanatory Statement.

In these circumstances (and in accordance with the note set out in Listing Rule 14.11.1 relating to Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the Additional 10% Placement Capacity), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Annual General Meeting.

9.4 Board recommendation

The Board unanimously recommends Shareholders vote in favour of Resolution 10.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

"**Additional 10% Placement Capacity**" has the meaning given in section 7.1 of this Explanatory Statement.

"**Annual General Meeting**" or "**Meeting**" means the annual general meeting the subject of the Notice.

"**Associate**" has the meaning given in the Listing Rules.

"**ASX**" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

"**Board**" means the board of Directors of the Company.

"**Chair**" means the chair of the Meeting.

"**Closely Related Party**" of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act; has the meaning given to that term in the Corporations Act;

"**Company**" means Red Mountain Mining Limited ABN 40 119 568 106.

"**Constitution**" means the constitution of the Company.

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

"**Director**" means a Director of the Company.

"**Equity Securities**" has the meaning given in the Listing Rules.

"**Explanatory Statement**" means this explanatory statement accompanying the Notice.

"**Key Management Personnel**" has the meaning given to that term in the Accounting Standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

"**Listing Rules**" means the Listing Rules of the ASX.

"**Notice**" or "**Notice of Meeting**" means the notice of annual general meeting preceding this Explanatory Statement.

"**Option**" means an option to subscribe for a Share.

"**Ordinary Securities**" has the meaning set out in the ASX Listing Rules.

"**Remuneration Report**" means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2017.

"**Resolution**" means a resolution proposed pursuant to the Notice.

"**Section**" means a section of this Explanatory Statement.

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

"**Shareholder**" means the holder of a Share.

"**VWAP**" means the volume weighted average price.

"**WST**" means western standard time in Australia.

SCHEDULE 1

TERMS OF THE RMXOH OPTIONS

- a. Each Option gives the Optionholder the right to subscribe for one Share.
- b. The Options will expire at 5.00pm (WST) on the date that is 3 years after the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- c. Subject to paragraph (k), the amount payable upon exercise of each Option is \$0.018 per Option (**Exercise Price**).
- d. The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- e. An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - i. a written notice of exercise of Options specifying the number of Options being exercised; and
 - ii. a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,**(Exercise Notice)**.
- f. An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- g. Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- h. The Options are transferable.
- i. All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- j. The Company will apply for quotation of the Options on ASX. The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- k. 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 Listing Rules at the time of the reconstruction.
- l. There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- m. An Option does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 2

EQUITY SECURITIES ISSUED FROM 15 NOVEMBER 2016

Date of issue of securities issued post 15 November 2016	Quantity and class of Equity Securities issued	Names of the persons to whom the Equity Securities were issued	Issue Price	Discount (if any) that issue price represented to closing market price on the date of issue	Total cash consideration received	Use of funds or intended use of funds for remaining consideration	Non-cash consideration and current value
22 November 2016	33,413,985 Listed Options ³	Loyalty Options Offer	\$0.001 per Option	No discount	\$3,341.40	100% used for general working capital.	N/A
22 November 2016	38,250,000 Listed Options ³	Nominees of PAC Partners	\$0.001 per Option	No discount	\$38,250	100% used for general working capital.	N/A
30 November 2016	1,750,000 Listed Options ³	Nominees of PAC Partners	\$0.001 per Option	No discount	\$1,750	100% used for general working capital.	N/A
13 December 2016	164,063 Shares ¹	Optionholder following exercise of Options	\$0.015 per Share	No discount	\$2,460.95	100% used for general working capital.	N/A
13 December 2016	9,000,000 Shares ¹	Various parties in consideration for professional services provided to the Company.	Nil	N/A	Nil	N/A	In consideration for professional services provided to the Company. The Shares have a current value of \$113,142 ²
13 December 2016	1 Listed Option ³	An unrelated independent party to facilitate a Cleansing Offer	Nil	N/A	Nil	N/A	To facilitate a Cleansing Offer. The Options have a current value of \$0.0183 ²

Date of issue of securities issued post 15 November 2016	Quantity and class of Equity Securities issued	Names of the persons to whom the Equity Securities were issued	Issue Price	Discount (if any) that issue price represented to closing market price on the date of issue	Total cash consideration received	Use of funds or intended use of funds for remaining consideration	Non-cash consideration and current value
13 December 2016	20,000,000 Listed Options ¹	Xcel Capital (and nominee)	Nil	N/A	Nil	N/A	In part consideration for Xcel Capital for the provision of professional services. The Options have a current value of \$366,908 ²
5 January 2017	125,000 Shares ¹	Optionholder following exercise of Options	\$0.015 per Share	57% discount	\$1,875.00	100% used for general working capital.	N/A
3 February 2017	2,500,000 Shares ¹	Optionholder following exercise of Options	\$0.02 per Share	53% discount	\$50,000.00	100% used for general working capital.	N/A
3 February 2017	2,195,000 Shares ¹	Optionholder following exercise of Options	\$0.015 per Share	65% discount	\$32,925.00	100% used for general working capital.	N/A
3 March 2017	34,648,307 Shares ¹	Subscribers to the Share Placement	\$0.031 per Share	No discount	\$1,074,097.52	100% were utilised to progress the Red Valley Lithium Project and general working capital..	N/A
3 March 2017	23,306,983 Shares ¹	Subscribers to the Share Placement	\$0.029 per Share	6% discount	\$675,902.51	100% were utilised to progress the Red Valley Lithium Project and general working capital..	N/A
3 March 2017	3,700,000 Shares ¹	Optionholder following exercise of Options	\$0.015 per Share	51% discount	\$55,500.00	100% used for general working capital.	N/A

Date of issue of securities issued post 15 November 2016	Quantity and class of Equity Securities issued	Names of the persons to whom the Equity Securities were issued	Issue Price	Discount (if any) that issue price represented to closing market price on the date of issue	Total cash consideration received	Use of funds or intended use of funds for remaining consideration	Non-cash consideration and current value
12 April 2017	25,000,000 Listed Options ⁴	Xcel Capital (or its nominee)	Nil	N/A	Nil	N/A	In part consideration for Xcel Capital for the provision of capital raising and corporate advisory services. The Options have a current value of \$631,952 ²
25 May 2017	3,645 Shares ¹	Optionholder following exercise of Options	\$0.015 per Share	44% discount	\$54,68	100% used for general working capital.	N/A
30 May 2017	2,000,000 Shares ¹	Optionholder following exercise of Options	\$0.018 per Share	38% discount	\$36,000.00	100% used for general working capital.	N/A
1 June 2017	6,000,000 Shares ¹	Optionholder following exercise of Options	\$0.018 per Share	40% discount	\$108,000.00	100% used for general working capital.	N/A
27 June 2017	1,333,333 Shares ¹	Nominee of Stocks Digital	Deemed issue price of \$0.03 per Share	No discount	Nil	N/A	Issued in lieu of cash consideration for marketing services provided to the Company. The Shares have a current value of \$40,000 ⁵
17 July 2017	15,625 Shares ¹	Optionholder following exercise of Options	\$0.015 per Share	No discount	\$234	100% used for general working capital.	N/A

Date of issue of securities issued post 15 November 2016	Quantity and class of Equity Securities issued	Names of the persons to whom the Equity Securities were issued	Issue Price	Discount (if any) that issue price represented to closing market price on the date of issue	Total cash consideration received	Use of funds or intended use of funds for remaining consideration	Non-cash consideration and current value
6 September 2017	66,818,182 Shares ¹	Subscribers to the Share Placement	\$0.011 per Share	25 %	\$735,000	12.8% used towards costs of the offer, 68% to be used towards earn-in exploration activities at the Mokabe-Kasari Cobalt-Copper Project, and remaining 19.2% to be used for general working capital.	N/A
11 September 2017	14,000,000 Shares ¹	CoCu Metals Pty Ltd and Xcel Capital Pty Ltd	Nil	N/A	Nil	N/A	In part consideration for earn in to Mokabe-Kasari Project. The Shares have a current value of \$210,000 ⁵

Notes:

1. Fully paid ordinary shares in the capital of the Company (ASX Code: RMX) ranking equally with all other fully paid ordinary shares.
2. In respect of unquoted Equity Securities the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option.
3. Listed Options exercisable at \$0.015 each on or before 21 November 2019 (ASX Code: RMXOC)
4. Listed Options exercisable at \$0.018 each on or before 13 December 2019 (ASX Code: RMXOH)
5. Based on the market price of Red Mountain Mining Limited shares as traded on ASX under code: RMX as at the date of this Notice.

Lodge your vote:



By Mail:

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

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

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

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

XX

 **For your vote to be effective it must be received by 10:00am (WST) Sunday, 12 November 2017**

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions

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

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

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

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

Attending the Meeting

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

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

Turn over to complete the form →



View the annual report, 24 hours a day, 7 days a week:

www.redmm.com.au

To view and update your securityholding:

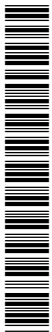
www.investorcentre.com

Your secure access information is:

SRN/HIN:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.





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



IND

Proxy Form

Please mark  to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

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

☐ the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Red Mountain Mining Limited to be held at Level 1, 1 Altona Street, West Perth, Western Australia on Tuesday, 14 November 2017 at 10:00am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

STEP 2 Items of Business



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

		For	Against	Abstain			For	Against	Abstain
Resolution 1	Non Binding Resolution to adopt Remuneration Report	☐	☐	☐	Resolution 8	Ratification of issue of 10,000,000 Shares	☐	☐	☐
Resolution 2	Election of Mr Robert Parton as a Director	☐	☐	☐	Resolution 9	Ratification of issue of 4,000,000 Shares	☐	☐	☐
Resolution 3	Re-election of Mr Lincoln Ho as a Director	☐	☐	☐	Resolution 10	Approval of Additional 10% Placement Capacity	☐	☐	☐
Resolution 4	Ratification of issue of 25,000,000 Options	☐	☐	☐					
Resolution 5	Ratification of issue of 1,333,333 Shares	☐	☐	☐					
Resolution 6	Ratification of issue of 23,989,101 Shares	☐	☐	☐					
Resolution 7	Ratification of issue of 42,920,081 Shares	☐	☐	☐					

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

RMX

9 9 9 9 9 9 A

Computershare +