
CONSOLIDATED TIN MINES LIMITED

ACN 126 634 606

NOTICE OF ANNUAL GENERAL MEETINGS

Notice is given that the **2016 Annual General Meeting** will be held at:

TIME: 2:00pm AEST

DATE: 13 September 2019

PLACE: Level 16, 5 Martin Place Sydney NSW 2000

Notice is given that the **2017 Annual General Meeting** will be held at:

TIME: 2:10pm AEST

DATE: 13 September 2019

PLACE: Level 16, 5 Martin Place Sydney NSW 2000

Notice is given that the **2018 Annual General Meeting** will be held at:

TIME: 2:20pm AEST

DATE: 13 September 2019

PLACE: Level 16, 5 Martin Place Sydney NSW 2000

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meetings are those who are registered Shareholders at 5:00pm AEST on 11 September 2019.

BUSINESS OF THE MEETINGS

AGENDA

2016 ANNUAL GENERAL MEETING

1. 2016 FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Financial Report of the Company for the financial year ended 30 June 2016 together with the declaration of the Directors, the Directors' reports, the 2016 Remuneration Reports and the Auditor's Reports.

2. RESOLUTION 1 – ADOPTION OF 2016 REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding 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 2016 Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2016.”

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

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the 2016 Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described 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; 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; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2017 ANNUAL GENERAL MEETING

1. 2017 FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Financial Report of the Company for the financial year ended 30 June 2017 together with the declaration of the Directors, the Directors' reports, the 2017 Remuneration Reports and the Auditor's Reports.

2. RESOLUTION 1 – ADOPTION OF 2017 REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding 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 as contained in the Company’s Annual Financial Report for the financial year ended 30 June 2017.”

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

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

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

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described 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; 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; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – OPTIONAL SPILL RESOLUTION

If:

- **less than 25% of the votes cast on Resolution 1 of the 2016 Annual General Meeting are voted against adoption of the 2016 Remuneration Report; or**
- **more than 25% of the votes cast on Resolution 1 of the 2016 Annual General Meeting are voted against adoption of the 2016 Remuneration Report but less than 25% of the votes cast on Resolution 1 of the 2017 Annual General Meeting are voted against adoption of the 2017 Remuneration Report.**

the Chair will withdraw Resolution 2.

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

“That, for the purposes of section 250V(1) of the Corporations Act and for all other purposes, approval is given for:

- (a) the Company to hold another meeting of Shareholders within 90 days of the date of the 2017 Annual General Meeting (**2017 Spill Meeting**); and
- (b) all vacating Directors to cease to hold office immediately before the end of the 2017 Spill Meeting; and
- (c) resolutions to appoint persons to offices that will be vacated pursuant to (b) to be put to vote at the 2017 Spill Meeting.”

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

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

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

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; 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; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2018 ANNUAL GENERAL MEETING

1. 2018 FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Financial Report of the Company for the financial year ended 30 June 2018 together with the declaration of the Directors, the Directors' reports, the Remuneration Reports and the Auditor's Reports.

2. RESOLUTION 1 – ADOPTION OF 2018 REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding 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 as contained in the Company's Annual Financial Report for the financial year ended 30 June 2018."

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

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

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

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described 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; 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; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – OPTIONAL SPILL RESOLUTION

If:

- less than 25% of the votes cast on Resolution 1 of the 2017 Annual General Meeting are voted against adoption of the 2017 Remuneration Report; or
- more than 25% of the votes cast on Resolution 1 of the 2017 Annual General Meeting are voted against adoption of the 2017 Remuneration Report but less than 25% of the votes cast on Resolution 1 of the 2018 Annual General Meeting are voted against adoption of the 2018 Remuneration Report.

the Chair will withdraw Resolution 2.

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

“That, for the purposes of section 250V(1) of the Corporations Act and for all other purposes, approval is given for:

- (a) *the Company to hold another meeting of Shareholders within 90 days of the date of this 2018 Annual General Meeting (2018 Spill Meeting); and*
- (b) *all Vacating Directors to cease to hold office immediately before the end of the 2018 Spill Meeting; and*
- (c) *resolutions to appoint persons to offices that will be vacated pursuant to (b) to be put to vote at the 2018 Spill Meeting.”*

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

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

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

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; 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; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR ZE HUANG (MARTIN) CAI

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 11.3 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Ze Huang (Martin) Cai, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

5. RESOLUTION 4 – ELECTION OF DIRECTOR – MR MORRIS IEMMA

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

“That, for the purpose of 11.12 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Morris Iemma, a Director who was appointed as a director on 29 August 2018, retires, and being eligible, is elected as a Director.”

6. RESOLUTION 5 – ELECTION OF DIRECTOR – MR YADING (CADEN) WAN

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 11.12 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Yading (Caden) Wan, a Director who was appointed a director on 29 August 2018, retires, and being eligible, is elected as a Director.”

7. RESOLUTION 6 – ELECTION OF DIRECTOR – MS TERESA DYSON

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 11.12 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Ms Teresa Dyson, a Director who was appointed a director on 24 January 2019, retires, and being eligible, is elected as a Director.”

8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – DUAN PLACEMENT

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,611,571 Shares to Mr Tiesong Duan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE – WPGL PLACEMENT

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 32,974,562 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a

person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. RESOLUTION 9 – APPROVAL TO CONVERT DEBT OWING TO CYAN STONE PTY LTD

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 10.11 and for all other purposes, approval is given for the Company to issue up to 71,100,000 Shares to Cyan Stone Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Cyan Stone Pty Ltd (or its nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

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

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

11. RESOLUTION 10 – ADOPTION OF INCENTIVE OPTION SCHEME

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

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

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

Voting Prohibition Statement:

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

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

However, the above prohibition does not apply if:

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

12. RESOLUTION 11 – GRANT OF INCENTIVE OPTIONS TO RELATED PARTY – MORRIS IEMMA

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 10, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant up to 6,000,000 Options as Director incentive remuneration to Mr Morris Iemma (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors (**Resolution 11 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 11 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- Provided the Chair is not a Resolution 11 Excluded Party, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

13. RESOLUTION 12 – GRANT OF INCENTIVE OPTIONS TO RELATED PARTY – YADING (CADEN) WAN

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 10, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant up to 6,000,000 Options as Director incentive remuneration to Mr Yading (Caden) Wan (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors (**Resolution 12 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the

directions on the Proxy Form, or, provided the Chair is not a Resolution 12 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- Provided the Chair is not a Resolution 12 Excluded Party, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

14. RESOLUTION 13 – GRANT OF INCENTIVE OPTIONS TO RELATED PARTY – TERESA DYSON

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 10, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant up to 6,000,000 Options as Director incentive remuneration to Ms Teresa Dyson (or her nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors (**Resolution 13 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 13 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- Provided the Chair is not a Resolution 13 Excluded Party, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

15. RESOLUTION 14 – GRANT OF INCENTIVE OPTIONS TO RELATED PARTY – ZE HUANG (MARTIN) CAI

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 10, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and

for all other purposes, approval is given for the Company to grant up to 6,000,000 Options as Director incentive remuneration to Mr Ze Huang (Martin) Cai (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors (**Resolution 14 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 14 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution. Provided the Chair is not a Resolution 14 Excluded Party, the above prohibition does not apply if:
 - (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

16. RESOLUTION 15 – GRANT OF INCENTIVE OPTIONS TO RELATED PARTY – RALPH DE LACEY

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, subject to the passing of Resolution 10, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant up to 6,000,000 Options as Director incentive remuneration to Mr Ralph De Lacey (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors (**Resolution 15 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 15 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution. Provided the Chair is not a Resolution 15 Excluded Party, the above prohibition does not apply if:
 - (a) the proxy is the Chair; and

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

17. RESOLUTION 16 – REPLACEMENT OF CONSTITUTION

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the Chairman of the Meeting for identification purposes.”

Dated: 13 August 2019

By order of the Board



**Mr Ralph De Lacey
Managing Director**

Voting in person

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

Voting by proxy

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

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

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

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

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

Should you wish to discuss the matters in this Notice of Meetings please do not hesitate to contact the Company Secretary on +61 (2) 8098 1163 .

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.

In considering the Resolutions, Shareholders must bear in mind the current circumstances of the Company.

If Resolutions 1 to 16 of the 2018 Annual General Meeting are passed the Company will be in a position to seek the reinstatement of its Shares to Official Quotation (**Reinstatement**). Reinstatement remains subject to the discretion of ASX. The Company has sought confirmation from ASX that it will, subject to satisfaction of various conditions set by ASX (**Reinstatement Conditions**), allow Reinstatement. The Reinstatement Conditions are set out in Annexure A.

If Resolutions 1 to 16 of the 2018 Annual General Meeting are not passed, the Company will be unable to satisfy the Reinstatement Conditions and will not be in a position to seek Reinstatement.

2016 ANNUAL GENERAL MEETING

1. 2016 FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the 2016 Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2016 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the Auditor's Report.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's Annual Financial Report is available on its website at www.csdftin.com.au.

2. RESOLUTION 1 – ADOPTION OF 2016 REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's Annual General Meeting, a resolution that the Remuneration Report be adopted must be put to the Shareholders. However, such a resolution is advisory only and does not bind the Company or the Directors of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the Annual Financial Report of the Company for a financial year.

The Chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the Remuneration Report at the Annual General Meeting.

2.2 Voting consequences

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.

2.3 Previous voting results

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 2016 Annual General Meeting.

2017 ANNUAL GENERAL MEETING

3. 2017 FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the 2017 Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2017 together with the declaration of the Directors, the Directors' Report, the 2017 Remuneration Report and the Auditor's Report.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's Annual Financial Report is available on its website at www.csdfin.com.au.

4. RESOLUTION 1 – ADOPTION OF 2017 REMUNERATION REPORT

4.1 General

The Corporations Act requirements for a listed company's Annual General Meeting to include a resolution for adoption of the Remuneration Report are set out in Section 2.1 of this Explanatory Statement.

4.2 Voting consequences

The voting consequences regarding adoption of the Remuneration Report are set out in Section 2.2 of this Explanatory Statement.

4.3 Previous voting results

If at the 2016 Annual General Meeting the votes cast against the 2016 Remuneration Report are less than 25% the Spill Resolution is not relevant for this 2017 Annual General Meeting.

However, if at the 2016 Annual General Meeting the votes cast against the 2016 Remuneration Report are more than 25% and at least 25% of the votes cast on the 2017 Remuneration Report resolution are voted against adoption of the 2017 Remuneration Report the Spill Resolution (Resolution 2 below) will be relevant for this 2017 Annual General Meeting.

Refer to Resolution 2 below and Section 2.2 for further information.

5. RESOLUTION 2 – SPILL RESOLUTION

If:

- **less than 25% of the votes cast on Resolution 1 of the 2016 Annual General Meeting are voted against adoption of the 2016 Remuneration Report; or**
- **more than 25% of the votes cast on Resolution 1 of the 2016 Annual General Meeting are voted against adoption of the 2016 Remuneration Report but less than 25% of the votes cast on Resolution 1 of the 2017 Annual General Meeting are voted against adoption of the 2017 Remuneration Report**

the Chair will withdraw Resolution 2.

5.1 General

The Corporations Act requirements for this Resolution to be put to vote are set out in Section 2.2.

The effect of this Resolution being passed is the Company will be required to hold another meeting of Shareholders within 90 days of the date of this Meeting (**2017 Spill Meeting**) and the Vacating Directors will cease to hold office immediately before the end of the 2017 Spill Meeting. The business of the 2017 Spill Meeting will be to put to vote resolutions to appoint persons to offices vacated by the Vacating Directors.

In the event a 2017 Spill Meeting is required a separate notice of meeting will be distributed to Shareholders with details about those persons that will seek election as directors of the Company at the Spill Meeting.

5.2 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution 2 should note the voting restrictions applying to Resolution 1 apply in the same manner to this Resolution.

2018 ANNUAL GENERAL MEETING

6. BACKGROUND

6.1 General

The Company was established in July 2007 and listed on the ASX in February 2008. The Company was established as a tin exploration and development company which initially focussed on the Company's tin bearing Mount Garnet Project.

The Company commenced tin recovery/metallurgy and resource definition drilling in 2008 and reported a major JORC Resource Update in June 2013 and released the highly positive pre-feasibility study in September 2013.

In April 2016, CSD acquired base metal assets from Snow Peak Mining Pty Ltd (ACN 161 212 504) (**SPM**), including the Surveyor Project, the Mount Garnet Mine and the Mount Garnet Processing Plant, transitioning the Company into a base metals producer.

The securities of the Company were suspended from trading on the Official List of the ASX on 29 June 2016.

Following a prolonged period of depressed commodity prices, the Company entered into voluntary administration on 19 July 2016.

On 19 July 2016, the Company and SPM appointed Blair Alexander Pleash and Kathleen Elizabeth Vouris as joint and several administrators of the Company (**Administrators**) after failing to secure funding arrangements to address its working capital requirements.

6.2 Deed of Company Arrangement

The Company prepared a joint deed of company arrangement proposal which was considered and subsequently approved by SPM and the creditors of the Company and SPM (**Creditors**) at the second meeting of Creditors held on 23 November 2016 (**Joint DOCA Proposal**). The Joint DOCA Proposal was executed as a formal deed of company arrangement on 8 December 2016 (**DOCA**) and in accordance with the terms of the DOCA control of the affairs of the Company returned to the directors of the Company, subject to the DOCA. The DOCA was a joint DOCA covering the creditors of both SPM and the Company. The companies decided to enter into voluntary administration and subsequently the DOCA together due to the status of the transfer of the SPM tenements to CSD and subsidiary companies and the status of liabilities assumed by CSD under the ASA (defined below).

The DOCA was subject to a number of conditions subsequent relating to the issue of Shares to Cyan Stone Pty Ltd (ACN 606 864 840) (**Cyan Stone**). These conditions were subsequently waived by Cyan and as a result the DOCA was effectuated. The Administrators lodged the requisite ASIC Form 5056 "Notice that deed wholly effectuated" with ASIC on 12 January 2017.

6.3 Delay in holding the Annual General Meetings

As noted above, the Company entered into voluntary administration on 19 July 2016. The Company was granted deferral relief from the Company's reporting requirements pursuant to Part 2M.3 of the Corporations Act pursuant to the ASIC Corporations (Externally-Administered Bodies) Instrument 2015/251. Subsequent to the DOCA being effectuated, the Company encountered delays finalising its ¹⁶

Annual Financial Reports for each of the financial years ending 30 June 2016, 2017 and 2018. As a result of these delays, the Company was unable to hold the requisite Annual General Meeting during the prescribed period as it was not in a position to receive and consider the Annual Financial Report or adopt the Remuneration Report for the relevant year.

It is for this reason that the Company has elected to hold each of the Annual General Meetings for the financial years ending 30 June 2016, 2017 and 2018 in succession, further details of which are set out in sections 1 to 5 of this Explanatory Statement.

6.4 Recent Activities

Throughout 2017 and 2018, the Company recommenced mining operations at the Mount Garnet Mine and the Surveyor Project and began processing operations at the Mount Garnet Processing Plant.

The Company also completed an extensive drilling and exploration program at the Einasleigh Regional Exploration Project and near mine targets at the Base Metals Projects, being the Mount Garnet Mine and the Surveyor Project. This drilling program culminated in:

- (a) the discovery of the Mount Garnet Deeps Deposit and the subsequent development of the Mount Garnet Deeps Underground Mine;
- (b) the release of the updated Chloe & Jackson Project resource estimates in June 2018;
- (c) the release of updated Kaiser Bill Project resource estimate in July 2018; and
- (d) the discovery of the Lens 2 Upper resource at the Balcooma deposit located within the Surveyor Project.

6.5 Reinstatement Conditions

The Company is currently working towards the reinstatement of the Company's Shares to Official Quotation (**Reinstatement**). Reinstatement remains subject to the discretion of ASX. The Company has sought confirmation from ASX that it will, subject to satisfaction of various conditions set by ASX (**Reinstatement Conditions**), allow Reinstatement. The Reinstatement Conditions are set out in Annexure A.

6.6 Removal from the Official List of ASX

Under current ASX policy set out in Guidance Note 33 in the ASX Listing Rules, an entity whose securities have been continuously suspended from trading for more than 3 years will be automatically removed from the official list of ASX. As noted above, the Company's securities have been suspended from quotation since 29 June 2016.

As announced on 2 July 2019, ASX has granted an extension to the automatic removal deadline of 29 June 2019 (**Removal Date**) to 27 September 2019. Failure by the Company to satisfy the Reinstatement Conditions by 27 September 2019 will result in ASX removing the Company from the Official List of the ASX. ASX has confirmed that it will not grant any further extensions of the Removal Date (beyond 27 September 2019).

Accordingly, if Resolutions 1 to 16 of the 2018 Annual General Meeting are not passed, the Company will be unable to satisfy the Reinstatement Conditions, will not be in a position to seek Reinstatement prior to 27 September 2019 and will be automatically removed from the Official List of the ASX.

Should this occur, Shareholders may be prevented from trading their Shares until such time as the Company re-complies with Chapters 1 and 2 of the ASX Listing Rules and is re-admitted to the Official List of ASX, if at all. There is a risk that the Company may not be able to meet the requirements of the ASX for re-admission to the Official List of ASX.

6.7 ASX takes no responsibility

ASX takes no responsibility for this Notice of Meeting and Explanatory Statement.

6.8 Capital Structure

The following table sets out a summary of the Company capital structure as at the date of this Notice and assuming the issue of securities the subject of the Resolutions:

SHARES	Number
Shares currently on issue	584,204,361 ¹
Share to be issued under the Debt Conversion (<i>Resolution 10</i>)	71,100,000
TOTAL	655,304,361

OPTIONS	Number
Options currently on issue	Nil
Incentive Options to be issued to Directors (<i>Resolution 11 – 15</i>)	30,000,000 ²
TOTAL	30,000,000

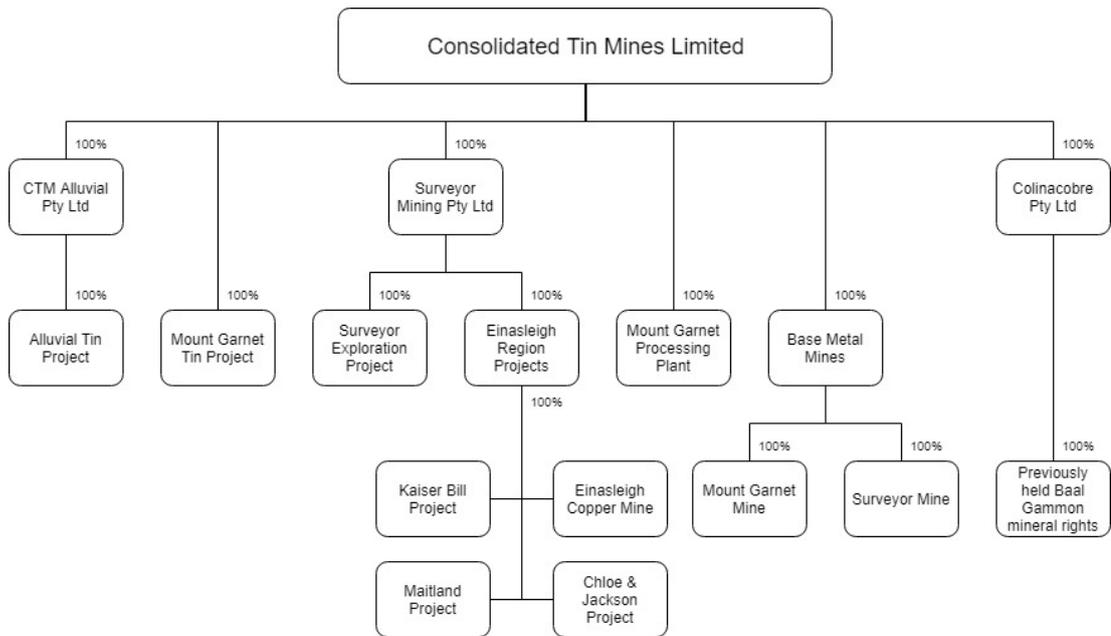
NOTES:

1. Includes:
 - a. 6,611,570 Shares recently issued under the Duan Placement, the ratification of which is to be sought under Resolution 7; and
 - b. 32,974,562 Shares recently issued under the WPGL Placement, the ratification of which is to be sought under Resolution 8.
2. Comprising:
 - a. 10,000,000 Class A Incentive Options; and
 - b. 20,000,000 Class B Incentive Options.

6.9 Corporate Structure

The Company's corporate structure consists of the Company and its three (3) wholly owned subsidiaries:

- (a) CTM Alluvial Mining Pty Ltd (ACN 137 305 947);
- (b) Surveyor Mining Pty Ltd (ACN 601 108 776); and
- (c) Colinacobre Pty Ltd (ACN 601 312 207).



As noted in the diagram above:

- (a) the Company holds the assets associated with the Mount Garnet Tin Project, Mount Garnet Processing Plant and the Base Metal Mines;
- (b) Surveyor Mining Pty Ltd holds Tenements comprising the Surveyor Regional Exploration project and the Einasleigh Regional Exploration Project;
- (c) CTM Alluvial Pty Ltd holds the Tenements comprising the Alluvial Tin Project; and
- (d) Colinacobre Pty Ltd was to be transferred the mineral rights to the Baal Gammon copper mine pursuant to the Asset Sale Agreement. The Company, together with Colinacobre and SPM, subsequently relinquished its rights and obligations to the Baal Gammon mineral rights in March 2017.

6.10 Overview of Projects

(a) Mount Garnet Processing Plant

The Mount Garnet Processing Plant has an annual processing capacity of 1,000,000 tonnes of ore, comprising two individual circuits with shared infrastructure. One supergene copper circuit and one polymetallic circuit, with each circuit having a capacity of 500ktpa. Only the polymetallic circuit is in operation at this time with the supergene copper circuit held on care and maintenance. Minor refurbishment of the Mount Garnet processing plant polymetallic circuit was completed in July 2017 with copper, lead and zinc concentrate production commencing on 24 July 2017.

During FY2017-18, 111,348 tonnes of ore was processed through the Mount Garnet Processing Plant over a series of processing campaigns. Concentrate produced from the Mount Garnet Processing Plant during this period was exported overseas or sold and processed at smelters within Australia.

(a) **Base Metals Project**

Comprising the Mount Garnet Mine, the Surveyor Project including the Dry River South Mine and the Mount Garnet Processing Plant.

The Company is currently conducting mining operations at both the Mount Garnet Mine and the Surveyor Project, including the Dry River South Mine, with ore being processed at the Mount Garnet Processing Plant.

(i) **Mount Garnet Mine**

The Mount Garnet Mine and adjacent Mount Garnet Processing Plant are situated near the township of Mount Garnet.

In April 2016, CSD acquired the assets of SPM, including the Mt Garnet Mine. In late 2017, CSD commenced development to access the newly discovered Mount Garnet Deeps Deposit adjoining the Mount Garnet Mine. Initial drilling from surface had returned favourable results and two further drilling programs from surface provided the Company with sufficient information to commence mine design and planning.

Remnant mining of the existing Mt Garnet underground continued in parallel with new development to access Mount Garnet Deeps Deposit.

(ii) **Surveyor Project**

The Surveyor Project is situated approximately 150kms south-west of Mount Garnet and approximately 40kms north west of the township of Greenvale.

The deposits comprising the Surveyor Project are base metal deposits of copper, gold, lead, silver and zinc.

Located on EPM 9323, the Surveyor Project consists of an operating underground mine, being the Dry River South Mine, multiple pre-development targets and more than 30 exploration targets. Underground mining at the Dry River South Mine has been focussed on remnant pillar extraction in the upper areas of the historical mine.

The Company commenced dewatering and rehabilitation of the existing Dry River South Mine decline in early 2017 with refurbishment completed in 2018. Mining activities commenced immediately in the upper production zone with the mining of the remnant pillars.

Ore from the Dry River South Mine is hauled 150kms to Mount Garnet by road-train for processing at Mt Garnet Processing Plant.

(b) **Einasleigh Regional Exploration Project**

Comprising the Kaiser Bill Project, the historic Einasleigh Copper Mine, and the Chole & Jackson Project. The Einasleigh Regional Exploration Project

is comprised of advanced exploration Tenements with extensive exploration expenditure to date.

The Einasleigh Region Exploration Project is situated near the township of Einasleigh.

(i) **Kaiser Bill Project**

The Kaiser Bill copper-gold deposit is an iron oxide copper gold (IOCG) deposits similar in style to those developed in the world-class Cloncurry district of north-west Queensland.

Drilling completed within the deposit has shown potential for higher grade copper mineralisation to occur at depth within the down plunge orientation of the deposit. Potential also exists to define smaller additional lenses of copper mineralisation adjacent to the defined main zone.

The Company is currently in the process of finalising a feasibility study for the Kaiser Bill Project, including heavy media separation trials. The Company is investigating the potential to transport ore from the Kaiser Bill Project, or the historic Einasleigh Copper Mine to the Mount Garnet Processing Plant. The Company is also investigating the potential to develop a second processing plant located at the Kaiser Bill Project.

(ii) **Chloe & Jackson Project**

The Chloe & Jackson Project deposits are less than one kilometre apart, located 20kms south-west of Einasleigh. The two deposits are part of the Chloe to Dreadnought Trend, containing a Pb-Zn-Ag mineral system, they present as a series of deposits that have geological similarities to zinc-rich skarn deposits (such as the Mt Garnet deposit) in terms of host rocks, alteration, mineralogy and chemistry.

The Chloe & Jackson deposit has exploration potential both down dip in each deposit and also along strike between the two mineralised domains.

(iii) **Maitland Project**

Located on MLA 100022 the Maitland Project is also held under EPM 12513. The Maitland Maitland Project is situated about 30 kilometres southwest of the Company's Surveyor Deposit.

Exploration upside at the Maitland Project consists of down dip extensions to the known mineralisation in addition to repeats along the host structural corridor. The Company is planning to develop the Maitland Project as additional ore supply to the Mt Garnet Processing Plant by the end of 2020. Further drilling and mine design is planned to occur in 2019.

(iv) **Railway Flat**

Located within the Einasleigh region, the Railway Flat deposit is one of the advanced projects of the region. It is a zinc/lead sulphide deposit that has had a substantial amount of 21

exploration including drilling, completed over a period of 30 years. There are no reports of historical mining.

(c) **Surveyor Regional Exploration Project**

The Surveyor deposits are located about 150kms south-west of Mount Garnet.

The deposits comprising the Surveyor Regional Exploration Project are base metal deposits of copper, gold, lead, silver and zinc.

(i) **Dry River South Deposit**

Several targets have been identified near the Dry River South Mine. These targets represent either extensions to the currently defined mineralised domains or sub-parallel lenses or splays to the main mineralised domain.

Additional drilling is planned to continue testing of the upper Dry River South Deposit that exist in close proximity to the current underground development. Targets to the west of the main Dry Driver South mineralised domain are to be drilled during the Company's planned 2019 exploration program.

(ii) **Balcooma Deposit**

Several near mine targets have been identified adjacent to the historically mined Balcooma Deposit. The primary target for drilling programs completed in 2018 is known as the Lens 2 Upper target. A total of 21 reverse circulation holes were drilled during 2018.

Drilling results from the 2018 drilling programs have shown broad potentially economic intercepts within the Lens 2 Upper domain.

(iii) **Regional Exploration**

Numerous exploration targets exist within the Surveyor Regional Exploration Project area. Anomalies have been identified based on soil geochemistry, geophysical surveys and shallow drilling. Seventeen priority regional targets have been identified.

(d) **Mount Garnet Tin Project**

The Mount Garnet Tin Project is located approximately 140kms south-west of Cairns and is serviced by National Highway One (Kennedy Highway) that runs through the project area.

The Herberton-Mount Garnet tin field has been a significant tin producer with an estimated production of 85,000 tonnes of tin metal in concentrate up until 1985. The Company holds a large number of tenements within the historic Herberton tin field in North Queensland covering numerous tin deposits and prospective tin bearing ground. The Company holds four deposits with defined tin resources – Gillian, Pinnacles, Windermere and Deadman's Gully.

In addition to tin, the Company's deposits at Mount Garnet also contain significant concentrations of iron and one deposit, Pinnacles, also

contains significant concentrations of fluorine. The Company includes iron in its Mineral Resource statements for its Mount Garnet tin deposits and fluorine for its Pinnacle deposit.

The Pinnacles deposit was investigated by Comalco in the 1970s as a potential source of fluorine in the form of the mineral fluorite. Among other uses, fluorine is used as a flux in aluminium smelting.

(e) **Alluvial Tin Project**

The Alluvial Tin Project consists of alluvial tin deposits in the Mount Garnet area where extensive dredging operations occurred from 1920 until 1980.

The Alluvial Tin Project does not form part of the Company's key operations.

6.11 Project Mineral Resources

The Company's Projects contain a combination of JORC 2004 and JORC 2012 compliant Mineral Resources.

The Mineral Resources reported under the JORC Code 2012 are listed in Table 1.1 below and have been extracted from the Company's announcements entitled "Revised Resources Estimate" dated 26 June 2013, "Gillian JORC Resource upgrade and Project Update" dated 25 June 2014, "Chloe Jackson Resource Update" dated 18 June 2018 and "Kaiser Bill JORC Update" dated 26 July 2018, available at www.csdtin.com.au and www.asx.com (ASX: CSD).

For the purposes of ASX Listing Rule 5.23, The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original market announcement.

Table 1.1: Consolidated Tin Mines JORC 2012 Compliant Mineral Resources as at July 2019.

DEPOSIT	CATEGORY	TONNES (Mt)	Zn (%)	Pb (%)	Cu (%)	Au (ppm)	Ag (ppm)	Sn (%)
Kaiser Bill	Measured	-	-	-	-	-	-	-
	Indicated	14.38	-	-	0.83	-	5.41	-
	Inferred	4.07	-	-	0.83	-	7.29	-
Chloe & Jackson	Measured	-	-	-	-	-	-	-
	Indicated	4.02	4.07	1.61	0.18	-	38.5	-
	Inferred	3.99	3.80	1.43	0.18	-	32.7	-

Table 1.1 (continued): Mount Garnet Tin Project – Sn, Fe and F grade tonnage summary, as at 30 June 2019

TIN (Sn)	Cut-off Sn_EQ %	Measured tonnes	Grade Sn%	Indicated tonnes	Grade Sn%	Inferred tonnes	Grade Sn%	Total tonnes	Grade Sn%
Gillian	0.20	1,200,000	0.86	1,160,000	0.74	180,000	0.53	2,530,000	0.78
Pinnacles	0.33	-	-	5,461,000	0.30	1,575,000	0.30	7,035,000	0.30
Deadmans Gully	0.18	-	-	444,000	0.34	-	-	444,000	0.34
Windermere	0.25	-	-	829,000	0.26	1,211,000	0.27	2,040,000	0.27
TOTAL		1,200,000	0.86	7,894,000	0.36	2,966,000	0.30	12,049,000	0.40

IRON (Fe)	Cut-off Sn_EQ %	Measured tonnes	Grade Fe%	Indicated tonnes	Grade Fe%	Inferred tonnes	Grade Fe%	Total tonnes	Grade Fe%
Gillian	0.20	1,200,000	34.20	1,160,000	32.50	180,000	25.20	2,530,000	32.80
Pinnacles	0.33	-	-	5,461,000	19.12	1,575,000	21.04	7,035,000	19.55
Deadmans Gully	0.18	-	-	444,000	26.70	-	-	444,000	26.70
Windermere	0.25	-	-	829,000	25.79	1,211,000	23.68	2,040,000	24.54
TOTAL		1,200,000	34.20	7,894,000	22.21	2,966,000	22.37	12,049,000	23.44

FLUORINE (F)	Cut-off Sn_EQ %	Measured tonnes	Grade F%	Indicated tonnes	Grade F%	Inferred tonnes	Grade F%	Total tonnes	Grade F%
Pinnacles	0.33	-	-	5,461,000	6.28	1,575,000	4.14	7,035,000	5.80
TOTAL		-	-	5,461,000	6.28	1,575,000	4.14	7,035,000	5.80

The Mineral Resources reported under the historical JORC Code 2004 are listed in Table 1.2 below and have been extracted from announcements made by the previous owners of the assets being Copper Strike Ltd (ASX: CSE) entitled “Annual Report to Shareholders” released 19 September 2007, and “Annual Report to Shareholders” released 25 September 2009 available at www.asx.com (ASX: CSE) and subsequently Kagara Ltd (ASX KZL) entitled “Annual Report to Shareholders” released 22 September 2010 available at www.asx.com (ASX: KZL). Kagara Ltd sold the assets to SPM in January 2013 and SPM subsequently sold the assets to the Company in April 2016.

As noted above the Mineral Resources in Table 1.2 below were reported under the JORC Code 2004 and the reporting of these estimates may not conform to the requirements of the JORC Code 2012. The Company is satisfied as to the reliability of the information as presented.

The Railway Flat Mineral Resource was estimated using a total of 53 drill holes that were a combination of reverse circulation drilling and NQ2 sized diamond core. The Mineral Resource was reported using a cut-off grade of 2.0% Zn.

The Einasleigh Copper Mine Mineral Resource was estimated using a total of 26 drill holes that were pre-collared down to an average depth of 36 m with reverse circulation and then completed to final depth with NQ2 sized diamond core. The Mineral Resource was reported at a cut-off grade of 1.0% Cu.

The Maitland Mineral Resource was estimated using a total of 266 drill holes that comprise a combination of reverse circulation and NQ2 sized diamond core. The Mineral Resource was estimated using the ordinary kriging method applying a 1.0% Cu top-cut to restrict high grades.

In order to bring the Mineral Resources to be in accordance with JORC Code 2012 the Company intends to verify the data sources for the historical data, and may undertake further logging, density and sampling work on the available historical core. Additional reverse circulation and diamond drilling may be required to verify historical drilling and increase the drill hole density.

As noted above, the Company plans to systematically explore the Surveyor Regional Exploration Project and Einasleigh Regional Exploration Project .

Table 1.2 Consolidated Tin Mines JORC 2004 Compliant Mineral Resources as at July 2019.

DEPOSIT	CATEGORY	TONNES (Mt)	Zn (%)	Pb (%)	Cu (%)	Au (g/t)	Ag (g/t)	Sn (%)
Railway Flat	Measured	-	-	-	-	-	-	-
	Indicated	-	-	-	-	-	-	-
	Inferred	0.9	3.4	0.9	0.2	-	16	-
Einasteigh	Measured	-	-	-	-	-	-	-
	Indicated	0.5	-	-	4.0	0.2	18	-
	Inferred	0.6	-	-	1.9	0.1	8	-
Maitland	Measured	-	-	-	-	-	-	-
	Indicated	1.45	-	-	1.5	-	-	-
	Inferred	0.04	-	-	1.1	-	-	-

Mineral Resources contained in Table 1.2 are not reported in accordance with the JORC Code 2012. A Competent Person has not done sufficient work to classify the estimates of Mineral Resources in accordance with the JORC Code 2012. It is possible that following evaluation and/or further exploration work the currently reported estimates may materially change and hence will need to be reported afresh under and in accordance with the JORC Code 2012. Nothing has come to the attention of the Company that causes it to question the accuracy or reliability of the historical estimates reported by Copper Strike Ltd and Kagara Ltd but the Company has not independently validated the estimates and therefore is not to be regarded as reporting, adopting or endorsing those estimates.

Following commencement of ore extraction from Dry River South in June 2018, the previous resource statement for Dry River South is no longer accurate. An updated Mineral Resource for Dry River South has not been prepared and Dry River South has been excluded from the above resources statement.

Competent Person Statement

The information in Table 1.2 is based on information compiled by Richard Addo who is a Member of the Australian Institute of Geoscientists.

Richard Addo has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Richard Addo consents to the inclusion in this Notice of the matters based on information in the form and context in which it appears.

6.12 Overview of Mining and Processing Operations

Operations at the Dry River South Mine continue to progress with both the extraction of ore and refurbishment of the Dry River South decline continuing in parallel.

The Company has continued its development of the Mount Garnet Mine, specifically the Mount Garnet Deeps Deposit. Development reached the main ore body in late December 2018 with initial development ore being extracted

Processing operations continued at the Mount Garnet Processing Plant with ore from both the Mount Garnet Mine and the Dry River South Mine being processed. The Mount Garnet Processing Plant performed several processing campaigns following stockpiling of ore at the Mount Garnet run-of-mine (**ROM**).

79,439 tonnes of ore was processed by the Company during the Half-Year Ended 31 December 2018, producing 4,080 tonnes of zinc metal in concentrate, 707 tonnes of lead metal in concentrate and 269 tonnes of copper metal in concentrate.

The Company is focused on establishing sufficient ore supply from the refurbished Dry River South Mine and newly developed Mount Garnet Deeps Underground Mine to maintain continuous production at the Mount Garnet Processing Plant. The Company expects to achieve steady state production in third quarter of-2019.

6.13 Business Model

The intended use of funds raised under the Duan Placement and WPGI Placement and the Company's future strategy remain the same. Furthermore, the Company's main business undertaking and assets remain unchanged.

The Company is a base metals mine operator and developer which also operates a base metals processing plant. The Company is expanding operations at the Base Metal Mines and is developing a significant pipeline of projects particularly in regard to the Surveyor Regional Exploration Project and the Einasleigh Regional Exploration Project.

The Company's strategy is to be a significant producer of base metals. To achieve this the Company intends to:

- (a) firstly, satisfy the outstanding Reinstatement Conditions;
- (b) continue mining operations at the Mount Garnet Mine, specifically the Mount Deeps Underground Mine and the Surveyor Project, specifically the Dry Rive South Underground Mine;
- (c) complete planned upgrades and improvements of existing mining equipment at the Mount Garnet Mine and Surveyor Project;
- (d) complete planned upgrades and improvements to the Mount Garnet Processing Plant;
- (e) explore mineralisation adjacent the Mount Garnet Mine and Surveyor Project to develop potential to extend current life of mine;
- (f) increase throughput at the Mount Garnet Processing Plant;
- (g) finalise the feasibility study for the Kaiser Bill Project contained within the Einasleigh Regional Exploration Project, including bulk sample heavy media separation trials;
- (h) progress the Maitland Project to produce additional ore to Mt Garnet Processing Plant by the end of 2020;
- (i) systematically explore the Surveyor Regional Exploration Project and Einasleigh Regional Exploration Project;
- (j) systematically explore the Mount Garnet Tin Project;

- (k) progress the feasibility studies for the Mount Garnet Tin Project and develop pilot scale test work; and
- (l) investigate the potential to transport ore from the Kaiser Bill Project to the Mount Garnet Processing Plant and the potential to develop a second processing plant located at the Kaiser Bill Project; and
- (m) implement a growth strategy to seek out further exploration, joint venture and acquisition opportunities in North Queensland that have a strategic fit for the Company.

The Company wishes to retain flexibility to consider acquisition opportunities in the event that such opportunities are presented. The Company's current intention is to consider base metal exploration and mining projects located in North Queensland, proximate to the Company's existing Projects. The Company cannot guarantee that further acquisitions will occur.

The Company has off-take agreements in place with Glencore International AG in regard to copper, lead and zinc concentrate production. The current zinc offtake agreement is expected to be filled by early September 2019. The Company is currently negotiating future zinc off-take arrangements to commence when the existing agreement is filled.

6.14 Use of Funds

A summary of the utilisation of the funds raised under the Duan Placement and WPGL Placement is set out in the table below.

Activity	Amount
Exploration Budget 2019 <ul style="list-style-type: none"> • Infill drilling at the Chloe & Jackson Project, selected target drilling at the Einasleigh Regional Exploration Project, Surveyor Regional Exploration Project and Mount Garnet. • Cost of employing exploration drill target generation teams located at the Surveyor Regional Exploration Project, the Einasleigh Regional Exploration Project and Mount Garnet; • Cost of equipment, including purchase of off road vehicles • Cost of airborne, ground based and down hole geotechnical surveys; • Cost of external consultants and support; and • Cost of internal administration and support. 	\$6,100,000
Completion of Feasibility Study of Kaiser Bill Project <ul style="list-style-type: none"> • Costs of internal technical experts; • Cost of external consultants and technical experts; and • Costs of independent third party final review. 	\$4,000,000
Upgrade Current Mining Facilities <ul style="list-style-type: none"> • Cost of installation of new tailings storage facility and closure of existing tailings storage facility at Mount Garnet Mine. 	\$6,000,000
Maitland Project Feasibility Studies <ul style="list-style-type: none"> • Costs of internal technical experts as well as cost of external consultants and technical experts. • Background studies including environment, flora and fauna, hydrology and mine planning studies. • Pre-mining preparation including ore sorting studies, surface design and preliminary surface works including preparation road works. 	\$2,000,000
Mt Garnet Tin Project <ul style="list-style-type: none"> • Drilling of additional areas close to the Gillian Tin Project, • Further metallurgy test work on Gillian Project mineralisation, including overseas bulk sample trials. • Completion of Definitive Feasibility Studies. • Completion of background studies including environment, flora and fauna, hydrology and mine planning studies. 	\$2,000,000
Working Capital <ul style="list-style-type: none"> • Costs of underground development at Mount Garnet Project (Mount Garnet Deeps Underground Mine) and Surveyor Mine (Dry River South Underground Mine) and replacement of selected mobile mining equipment. 	\$2,700,000
Costs of the Offer <ul style="list-style-type: none"> • Includes brokerage fees, consultants and preparation costs. 	\$1,149,610
TOTAL	\$23,949,610

The Board believes the Company has sufficient working capital to carry out its stated objectives.

The above tables are a statement of past expenditure and current intentions as of the date of this Notice. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

6.15 Pro forma balance sheet

Set out in Schedule 1 of this Notice is a pro-forma balance sheet of the Company assuming that all Resolutions have been passed. The historical and pro-forma information is presented in an abbreviated form, insofar as it does not include all of the disclosure required by the Australian Accounting Standards applicable to annual financial statements.

6.16 Timetable

An indicative timetable for completion of the Debt Conversion and proposed Reinstatement is set out in the table below:

ACTION	DATE
Notice of Annual General Meetings sent to Shareholders	13 August 2019
Hold Annual General Meetings	13 September 2019
Lodgment of Cleansing Prospectus & Cleansing Prospectus Offer Opens	13 September 2019
Issue Securities pursuant to: - Debt Conversion (<i>Resolution 9</i>) - Director Incentive Options (<i>Resolutions 11 -15</i>)	16 September 2019
Cleansing Prospectus Offer Closes	5:00pm AEST on 16 September 2019
Satisfaction of Reinstatement Conditions	20 September 2019
Reinstatement of Shares on ASX	27 September 2019

This timetable is indicative only and may be subject to change. Reinstatement remains subject to satisfaction of the Reinstatement Conditions. Accordingly, the timetable remains subject to ASX's discretion.

6.17 Quotation of New Shares on ASX

The Company is already admitted to the Official List. However, trading in the Company's Shares was suspended on 29 June 2016.

As noted above, Reinstatement remains subject to the discretion of ASX. The Company has sought confirmation from ASX that it will, subject to satisfaction of the Reinstatement Conditions, allow Reinstatement.

The Company will apply to have its Shares reinstated to trading on the Official List, including applying for quotation of the Shares to be issued under the Debt Conversions.

Reinstatement of the Company's Shares to the Official List is at the discretion of ASX and will be subject to satisfaction of the Reinstatement Conditions.

7. 2018 FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the 2018 Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the directors' report, the 2018 Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's Annual Financial Report is available on its website at www.csdfin.com.au.

8. RESOLUTION 1 – ADOPTION OF 2018 REMUNERATION REPORT

8.1 General

The Corporations Act requirements for a listed company's Annual General Meeting to include a resolution for adoption of the Remuneration Report are set out in Section 2.1 of this Explanatory Statement.

8.2 Voting consequences

The voting consequences regarding adoption of the Remuneration Report are set out in Section 2.2 of this Explanatory Statement.

8.3 Previous voting results

If at the 2017 Annual General Meeting the votes cast against the 2017 Remuneration Report are less than 25% the Spill Resolution is not relevant for this 2018 Annual General Meeting.

However, if at the 2017 Annual General Meeting the votes cast against the 2017 Remuneration Report are more than 25% and at least 25% of the votes cast on the 2018 Remuneration Report resolution are voted against adoption of the 2018 Remuneration Report the Spill Resolution will be relevant for this 2018 Annual General Meeting.

Refer to Resolution 2 below and Section 2.2 for further information.

9. RESOLUTION 2 – SPILL RESOLUTION

If:

- **less than 25% of the votes cast on Resolution 1 of the 2017 Annual General Meeting are voted against adoption of the 2017 Remuneration Report; or**
- **more than 25% of the votes cast on Resolution 1 of the 2017 Annual General Meeting are voted against adoption of the 2017 Remuneration Report but less than 25% of the votes cast on Resolution 1 of the 2018 Annual General Meeting are voted against adoption of the 2018 Remuneration Report**

the Chair will withdraw Resolution 2.

9.1 General

The Corporations Act requirements for this Resolution to be put to vote are set out in Section 2.2.

The effect of this Resolution being passed is the Company will be required to hold another meeting of Shareholders within 90 days of the date of this Meeting (**2018 Spill Meeting**) and the Vacating Directors will cease to hold office immediately before the end of the 2018 Spill Meeting. The business of the 2018 Spill Meeting will be to put to vote resolutions to appoint persons to offices vacated by the Vacating Directors.

In the event a 2018 Spill Meeting is required a separate notice of meeting will be distributed to Shareholders with details about those persons that will seek election as Directors of the Company at the 2018 Spill Meeting.

9.2 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution 2 should note the voting restrictions applying to Resolution 1 apply in the same manner to this Resolution.

10. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR ZE HUANG (MARTIN) CAI

10.1 General

ASX Listing Rule 14.5 provides that an entity which has directors must hold an election of Directors at each Annual General Meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an Annual General Meeting.

Ze Huang (Martin) Cai, who has served as a Director since 2 February 2015, retires by rotation and seeks re-election.

10.2 Qualifications and other material directorships

Mr Cai is an experienced financial executive having co-founded and managed a number of companies in Australia and Hong Kong. Mr Cai has comprehensive experience in the financial sector, spending four years with the Construction Bank of China and more than three years as Managing Director of Shinewarm Resources, a commodity trading and advisory company.

Mr Cai has a Masters in Applied Finance from Macquarie University and a Bachelor of Science (Mathematics) from the Hua Qiao University, China.

10.3 Independence

If elected the Board does not consider Mr Cai will be an independent director.

10.4 Board recommendation

The Board supports the re-election of Mr Cai and recommends that Shareholders vote in favour of Resolution 3.

11. RESOLUTIONS 4 TO 6 – ELECTION OF DIRECTORS – MR MORRIS IEMMA, MR YADING (CADEN) WAN AND MS TERESA DYSON

11.1 General

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Resolution 4 – Mr Morris Iemma

Mr Morris Iemma, having been appointed by other Directors on 29 August 2018 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

Resolution 5 – Mr Yading (Caden) Wan

Mr Yading (Caden) Wan, having been appointed by other Directors on 29 August 2018 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

Resolution 6 – Ms Teresa Dyson

Ms Teresa Dyson, having been appointed by other Directors on 24 January 2019 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

11.2 Qualifications and other material directorships

Resolution 4 – Mr Morris Iemma

Mr Iemma is a former Premier of NSW.

Mr Iemma has a distinguished 17-year NSW political career, holding several key portfolios including Treasurer; Minister for State Development; Minister for Public Works; Minister for Health; Minister for Sport and Recreation; and Minister for Citizenship. Mr Iemma notably served as the NSW Premier from 2005-2008.

Mr Iemma is currently Chairman of Greyhound Racing NSW; a former District Commissioner for the Greater Sydney Commission and sits on the Board of TAFE NSW and is Chairman of Miracle Babies Foundation and NSW Cancer Institute.

Mr Iemma has previously served on the Boards of Beyond Blue, the Sydney Cricket Ground (SCG) Trust and as Chair of the South East Sydney Health District.

Resolution 5 – Mr Yading (Caden) Wan

Mr Wan has over 25 years' experience working in property development in Australia and China.

Mr Wan has held numerous senior management roles within the property industry and is the CEO and Executive Director of leading publicly-listed property group, Boyuan Holdings Limited (ASX:BHL).

Mr Wan was the Chairman and CEO of Jiaxing Zhonghuan Properties Co. Ltd and the Chairman of the Australian Jiaxing Association Pty Ltd.

Resolution 6 – Ms Teresa Dyson

Ms Dyson holds a law degree from the University of Queensland and was Queensland Woman Lawyer of the Year in 2011.

Ms Dyson is currently a Non-Executive Director at Seven West Media, Power and Water Corporation, Genex Power, Energy Super and Energy Queensland; Board Member of the National Housing Finance and Investment Corporation and the Foreign Investment Review Board (FIRB) and Member of the Takeovers Panel.

11.3 Independence

Resolution 4 – Mr Morris Iemma

Mr Iemma has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the entity and its security holders generally.

If elected the Board considers Mr Iemma will be an Independent Director.

Resolution 5 – Mr Yading (Caden) Wan

Mr Wan is associated with Cyan Stone Pty Ltd, the Company's majority shareholder. If elected the Board does not consider Mr Wan will be an Independent Director.

Resolution 6 – Ms Teresa Dyson

Ms Dyson has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the entity and its security holders generally.

If elected the Board considers Ms Dyson will be an Independent Director.

11.4 Board recommendation

The Board supports the re-election of Mr Iemma, Mr Wan and Ms Dyson and recommends that Shareholders vote in favour of Resolutions 4 to 6.

12. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – DUAN PLACEMENT

12.1 General

As announced on 22 May 2019, the Company issued 6,611,571 Shares at an issue price of \$0.605 to Mr Tiesong Duan to raise \$4,000,000 (**Duan Placement**). Mr Duan is a private investor based in China. Mr Duan holds a highly diversified investment portfolio covering property, mining, foreign currency and equity investments.

Resolution 7 seeks Shareholder approval for the ratification pursuant to ASX Listing Rule 7.4 of the issue of 6,611,571 Shares under the Duan Placement (**Ratification**).

12.2 ASX Listing Rule 7.1

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

12.3 ASX Listing Rule 7.4

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying the issue of Shares under the Duan Placement, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

12.4 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Resolution 7:

- (a) 6,611,571 Shares were issued utilising the Company's available placement capacity under ASX Listing Rule 7.1;
- (b) the issue price was \$0.605 per Share;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Mr Tiesong Duan who is not a related party of the Company; and
- (e) the funds raised from the Duan Placement, together with funds raised under the WPGL Placement (defined below) will be applied as set out in section 6.10 above.

13. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF WPGL PLACEMENT

13.1 General

As announced on 24 June 2018, the Company issued 32,974,562 Shares at an issue price of \$0.605 to Wealth Pointer Global Limited (**WPGL**) to raise \$19,949,610 (**WPGL Placement**). WPGL is an entity associated with Zhongrong International Trust Co. Limited, a leading integrated financial service provider based in China.

Resolution 8 seeks Shareholder approval for the ratification pursuant to ASX Listing Rule 7.4 of the issue of up to 32,974,562 Shares under the WPGL Placement (**Ratification**).

By ratifying the issue of Shares under the WPGL Placement, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

13.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 8:

- (a) 32,974,562 Shares were issued utilising the Company's available placement capacity under ASX Listing Rule 7.1;
- (b) the issue price was \$0.605 per Share;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (d) the Shares were issued to Wealth Pointer Global Limited which is not a related party of the Company; and
- (e) the funds raised from the WPGL Placement, together with funds raised under the Duan Placement will be applied as set out in section 6.10 above.

14. RESOLUTION 9 – APPROVAL TO CONVERT DEBT OWING TO CYAN STONE PTY LTD

14.1 General

Cyan Stone Pty Ltd (ACN 606 864 840) (**Cyan Stone**) has provided the Company with the following loan facilities, for the purpose of funding the Company's working capital requirements:

- (a) \$10,000,000 commencing on September 2017 for a 3-year period at an interest rate of 6%; and
- (b) \$30,000,000 commencing November 2017 for a 3-year period at an interest rate of 6%.

(together the **Cyan Stone Loan Facilities**).

The two Cyan Stone Loan Facilities are secured by a floating charge over all of the Company's assets. The Company has currently drawn down \$39,805,000 under the two Cyan Stone Loan Facilities and the accrued interest under the Cyan Stone Loan Facilities currently stands at \$2,639,760. The Company anticipates that accrued interest will increase to \$2,979,936 as at the time of the Debt Conversion (defined below). The amounts drawn down under the Cyan Stone Loan Facilities and the anticipated accrued interest are collectively referred to at the **Outstanding Monies**).

The Company has used the funds made available under the two Cyan Stone Loan Facilities for substantial exploration activities at the Einasleigh Regional Exploration Project, Surveyor Regional Exploration Project and Mount Garnet Projects, refurbishment and development of the Dry River South Deposit located within the Surveyor Project, capital development and mine infrastructure at the new Mount Garnet Deeps deposit located adjacent to the Mount Garnet Mine and ongoing working capital.

The Company and Cyan Stone have agreed, subject to obtaining Shareholder approval (the purpose of this Resolution 9), to convert up to \$43,015,500 of the Outstanding Monies into equity at a conversion rate of \$0.605 per Share (**Conversion Price**). Accordingly, the Company propose to issue up to 71,100,000 Shares (**Conversion Shares**) to Cyan Stone (or its nominee) upon conversion of the Outstanding Monies (**Debt Conversion**).

Resolution 9 seeks Shareholder approval for the issue of up to 71,100,000 Shares to Cyan Stone (or its nominee) in satisfaction of the amounts owed by the Company.

14.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Conversion Shares constitutes giving a financial benefit and Cyan Stone is a related party of the Company by virtue of being an entity associated with Director Mr Yading (Caden) Wan and by virtue of being major Shareholder potentially having the ability to control the Company.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Conversion Shares because the agreements governing the Cyan Stone Loan Facilities and the agreement to conduct the Debt Conversion, were each negotiated on an arm's length basis.

14.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the grant of the Related Party Shares involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

14.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolution 9:

- (a) the Conversion Shares will be issued to Cyan Stone (or its nominee);
- (b) the number of Conversion Shares to be issued is up to 71,100,000;
- (c) the Conversion Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the Conversion Shares will be issued for nil cash consideration, accordingly no funds will be raised; and
- (e) the Conversion Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Conversion Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Conversion Shares to Cyan Stone (or its nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

15. RESOLUTION 10 – APPROVAL OF INCENTIVE OPTION SCHEME

Resolution 10 seeks Shareholders approval for the adoption of the employee incentive scheme titled Incentive Option Scheme (**Scheme**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

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

If Resolution 10 is passed, the Company will be able to grant Incentive Options under the Scheme to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12-month period.

Shareholders should note that no Options have previously been granted under the Scheme.

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

Any future grant of Options under the Scheme to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking approval under Resolutions 11 to 15 for the grant of Incentive Options to the Directors pursuant to the Scheme.

A summary of the key terms and conditions of the Scheme is set out in Schedule 2. In addition, a copy of the Scheme is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Scheme can also be sent to Shareholders upon request to the Company Secretary (+61 (2) 8098 1163). Shareholders are invited to contact the Company if they have any queries or concerns.

16. RESOLUTIONS 11 TO 15 – GRANT OF INCENTIVE OPTIONS TO RELATED PARTIES

16.1 General

The Company has agreed, subject to obtaining Shareholder approval and to Shareholders approving adoption of the Scheme (refer Resolution 10), to grant of aggregate 30,000,000 Options (**Incentive Options**) to Directors, Mr Morris Iemma, Mr Yading (Caden) Wan, Ms Teresa Dyson, Mr Ze Huang (Martin) Cai and Mr Ralph De Lacey (or their nominees) (**Related Parties**) pursuant to the Scheme on the terms and conditions set out below.

The Company propose to issue 6,000,000 Incentive Options to each Director (or their nominee), comprising:

- (a) 2,000,000 Class A Incentive Options which shall vest on the date that is one (1) year after the date that the Incentive Options are granted (**Grant**)³⁷

Date) and are exercisable at \$0.25 on or before the date that is two (2) years after the Grant Date; and

- (b) 4,000,000 Class B Incentive Options of which 166,667 Class B Incentive Options shall vest in monthly increments commencing on the date that is thirteen (13) months after the Grant Date. The date that the relevant tranche of Class B Incentive Options vests is referred to as the **Class B Vesting Date**. The Class B Incentive Options are exercisable at \$0.25 on or before the date that is one (1) year after their relevant Class B Vesting Date.

Upon the resignation of a Director, dismissal of a Director with cause or should the Director no longer be eligible to be a Director of the Company, all unvested Incentive Options shall lapse immediately.

Should a Director be terminated by the Company without cause or be made redundant, all unvested Incentive Options shall vest immediately.

The full terms and conditions of the Incentive Options are set out in Schedule 3.

Resolutions 11 to 15 seeks Shareholder approval for the grant of the Incentive Options to the Related Parties (or their nominees).

16.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Incentive Options constitutes giving a financial benefit and the Related Parties are related parties of the Company by virtue of being Directors.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Incentive Options to the Related Parties.

16.3 ASX Listing Rule 10.14

ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

As the Incentive Options are proposed to be issued to the Related Parties under the Scheme (subject to the passing of Resolution 10), the Company will seek Shareholder approval pursuant to ASX Listing Rule 10.14 for the grant of Incentive Options to the Related Parties.

16.4 Technical information required by Chapter 2E of the Corporations Act and ASX Listing Rule 10.14

Pursuant to and in accordance with the requirements of sections 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed issue of Incentive Options to the Related Parties:

- (a) the related parties are Directors, Mr Morris lemma, Mr Yading (Caden) Wan, Ms Teresa Dyson, Mr Ze Huang (Martin) Cai and Mr Ralph De Lacey and they are related parties by virtue of being Directors;
- (b) the maximum number of Incentive Options (being the nature of the financial benefit being provided) to be granted to the Related Parties (or their nominees) is 30,000,000 Incentive Options, comprising:
 - (i) 2,000,000 Class A Incentive Options and 4,000,000 Class B Incentive Options to Mr Morris lemma;
 - (ii) 2,000,000 Class A Incentive Options and 4,000,000 Class B Incentive Options to Mr Yading (Caden) Wan;
 - (iii) 2,000,000 Class A Incentive Options and 4,000,000 Class B Incentive Options to Ms Teresa Dyson;
 - (iv) 2,000,000 Class A Incentive Options and 4,000,000 Class B Incentive Options to Mr Ze Huang (Martin) Cai; and
 - (v) 2,000,000 Class A Incentive Options and 4,000,000 Class B Incentive Options to Mr Ralph De Lacey;
- (c) the terms and conditions of the Incentive Options are set out in Schedule 3;
- (d) the value of the Incentive Options and the pricing methodology is set out in Schedule 4;
- (e) the Incentive Options will be granted for nil cash consideration, accordingly no funds will be raised;
- (f) no Incentive Options have previously been issued under the Scheme nor has the Scheme previously been adopted by Shareholders;
- (g) all Directors are entitled to participate in the Scheme. Approval is being sought for the grant of Incentive Options to all Directors;
- (h) the Incentive Options will be granted to the Related Parties no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Incentive Option will be granted on one date;
- (i) the Shares issued to the Related Parties upon exercise of the Incentive Options will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (j) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

Related Party	Shares	Options
Morris lemma	Nil	Nil
Mr Yading (Caden) Wan	281,827,775	Nil
Ms Teresa Dyson	Nil	Nil
Mr Ze Huang (Martin) Cai	42,630,326	Nil
Mr Ralph De Lacey	46,703,727	Nil

- (k) the amounts paid to the Related Parties and their associates for the previous two financial years are set out below:

Related Party	FY2018	FY2017
Morris lemma	Nil	Nil
Mr Yading (Caden) Wan	\$899,627 ¹	Nil
Ms Teresa Dyson	Nil	Nil
Mr Ze Huang (Martin) Cai	\$517,400 ²	\$1,874,225 ³
Mr Ralph De Lacey	\$635,048 ⁴	\$1,990,471 ⁵

Notes:

- (i) Comprising \$844,627 in relation to interest incurred under the Cyan Stone Loan Facilities and \$55,000 in relation to occupancy costs charged by Cyan Stone Pty Ltd (an entity associated with Mr Wan) during the financial year.
- (ii) Comprising \$373,400 for executive remuneration and \$144,000 for occupancy costs charge by ARM (NQ) Pty Ltd (an entity associated with Mr Cai).
- (iii) Comprising \$373,538 for executive remuneration, \$1,356,687 for finance expenses incurred under the Snow Peak Mining Convertible Notes and \$144,000 for occupancy costs charge by ARM (NQ) Pty Ltd (an entity associated with Mr Cai).
- (iv) Comprising \$402,344 for executive remuneration, \$88,704 for occupancy costs to NQ Mining Enterprise Pty Ltd and \$144,000 for occupancy costs charged by ARM (NQ) Pty Ltd (an entity associated with Mr De Lacey).
- (v) Comprising \$401,080 for executive remuneration, \$1,356,687 for finance expenses incurred under the Snow Peak Mining Convertible Notes, \$88,704 for occupancy costs charged by NQ Mining Enterprise Pty Ltd (an entity associated with Mr De Lacey) and \$144,000 for occupancy costs charged by ARM (NQ) Pty Ltd (an entity associated with Mr De Lacey).
- (l) if the Incentive Options granted to the Related Parties are exercised, a total of 30,000,000 Shares would be issued. This will increase the number of Shares on issue from 655,304,361 to 685,304,361 (assuming that no other Options are exercised and no Shares, other than those contemplated by the Resolutions of this Notice, are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of approximately 4.38%, comprising approximately 0.86% by Morris lemma, 0.86% by Yading (Caden) Wan, 0.86% by Teresa Dyson, 0.86% by Ze Huang (Martin) Cai and 0.86% by Ralph De Lacey.

The market price for Shares during the term of the Incentive Options would normally determine whether or not the Incentive Options are

exercised. If, at any time any of the Incentive Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Incentive Options, there may be a perceived cost to the Company.

- (m) The securities of the Company were suspended from trading on the Official List of the ASX on 29 June 2016, accordingly there is no available trading history of the Shares on ASX in the 12 months before the date of this Notice. However, as noted above, the Company has recently completed the Duan Placement and WPGI Placement at an issue price of \$0.605 per Share.
- (n) the primary purpose of the grant of the Incentive Options to the Related Parties is to provide a performance linked incentive component in the remuneration package for the Related Parties to motivate and reward the performance of the Related Parties in their respective roles as Directors;
- (o) Morris lemma declines to make a recommendation to Shareholders in relation to Resolution 11 due to his material personal interest in the outcome of the Resolution on the basis that Mr lemma is to be granted Incentive Options in the Company should Resolution 11 be passed. However, in respect of Resolutions 12, 13, 14 and 15, Mr lemma recommends that Shareholders vote in favour of those Resolutions for the following reasons:
 - (i) the grant of Incentive Party Options to the Related Parties, in particular, the vesting conditions of the Incentive Options, will align the interests of the Related Parties with those of Shareholders;
 - (ii) the grant of the Incentive Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Incentive Options upon the terms proposed;
- (p) Mr Yading (Caden) Wan declines to make a recommendation to Shareholders in relation to Resolution 12 due to his material personal interest in the outcome of the Resolution on the basis that Mr Wan is to be granted Incentive Options in the Company should Resolution 12 be passed. However, in respect of Resolutions 11, 13, 14, and 15, Mr Wan recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (o);
- (q) Ms Teresa Dyson declines to make a recommendation to Shareholders in relation to Resolution 13 due to her material personal interest in the outcome of the Resolution on the basis that Ms Dyson is to be granted Incentive Options in the Company should Resolution 13 be passed. However, in respect of Resolutions 11, 12, 14, and 15, Ms Dyson recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (o);

- (r) Mr Ze Huang (Martin) Cai declines to make a recommendation to Shareholders in relation to Resolution 14 due to his material personal interest in the outcome of the Resolution on the basis that Mr Cai is to be granted Incentive Options in the Company should Resolution 14 be passed. However, in respect of Resolutions 11, 12, 13, and 15, Mr Cai recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (o);
- (s) Mr Ralph De Lacey declines to make a recommendation to Shareholders in relation to Resolution 15 due to his material personal interest in the outcome of the Resolution on the basis that Mr De Lacey is to be granted Incentive Options in the Company should Resolution 15 be passed. However, in respect of Resolutions 11, 12, 13 and 14, Mr De Lacey recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (o);
- (t) in forming their recommendations, each Director considered the experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Incentive Options to be granted as well as the exercise price and expiry date of those Incentive Options; and
- (u) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 11 to 15.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Incentive Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of Incentive Options to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

17. RESOLUTION 16 – REPLACEMENT OF CONSTITUTION

17.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 16 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and ASX Listing Rules.

This will incorporate amendments to the Corporations Act and ASX Listing Rules since the current Constitution was adopted in 2007.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- (a) updating references to bodies or legislation which have been renamed; and

- (b) expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website www.csdfin.com.au and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 (2) 8098 1163). Shareholders are invited to contact the Company if they have any queries or concerns.

17.2 Summary of material proposed changes

Minimum Shareholding (clause 3)

Clause 3 of the Proposed Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with "unmarketable parcels" outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

Fee for registration of off market transfers (clause 8.4(c))

On 24 January 2011, ASX amended ASX Listing Rule 8.14 with the effect that the Company may now charge a "reasonable fee" for registering paper-based transfers, sometimes referred to "off-market transfers".

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

Non-Executive Director's Remuneration (clause 14.8)

Clause 14.8 of the Proposed Constitution sets the aggregate sum per annum to be paid to Directors (excluding salaries of Executive Directors) at \$400,000. This figure may be varied by ordinary resolution of the Shareholders in general meeting.

This amount includes superannuation contributions made by the Company for the benefit of Non-Executive Directors and any fees which a non-executive Director 43

agrees to sacrifice for other benefits. It does not include reimbursement of genuine out of pocket expenses, genuine "special exertion" fees paid in accordance with the Constitution, or securities issued to a non-executive Director under ASX Listing Rule 10.11 or 10.14 with approval of Shareholders.

Dividends (clause 22)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (a) the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the Company's shareholders as a whole; and
- (c) the payment of the dividend does not materially prejudice the Company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

Partial (proportional) takeover provisions (new clause 36)

A proportional takeover bid is a takeover bid where the offer made to each Shareholder is only for a proportion of that Shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and
- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 16.

GLOSSARY

\$ means Australian dollars.

2016 Annual General Meeting means the Company's 2016 Annual General Meeting convened by the Notice.

2016 Remuneration Report means the remuneration reports set out in the Director's Report section of the Company's Annual Financial Report for the year ended 30 June 2016.

2017 Annual General Meeting means the Company's 2017 Annual General Meeting convened by the Notice.

2017 Remuneration Report means the remuneration reports set out in the Director's Report section of the Company's Annual Financial Report for the year ended 30 June 2017.

2018 Annual General Meeting means the Company's 2018 Annual General Meeting convened by the Notice.

2018 Remuneration Report means the remuneration reports set out in the Director's Report section of the Company's Annual Financial Report for the year ended 30 June 2018.

AEST means Australian Eastern Standard Time as observed in Sydney, New South Wales.

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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.

Company means Consolidated Tin Mines Limited (ACN 126 634 606).

Constitution means the Company's constitution.

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

Cyan Stone means Cyan Stone Pty Ltd (ACN 606 864 840).

Cyan Stone Loan Facilities has its meaning given to it in Section 14.1 of the Explanatory Statement.

Debt Conversion has its meaning given to it in Section 14.1 of the Explanatory Statement.

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (g) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Incentive Option Scheme means the employee incentive scheme to be adopted by the Company pursuant to Resolution 11.

Key Management Personnel has the same meaning as 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.

Managing Director means the managing director of the Company who may, in accordance with the ASX Listing Rules, continue to hold office indefinitely without being re-elected to the office.

Meeting means the Shareholder's meeting convened by the Notice of Meeting.

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

Option means an option to acquire a Share.

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

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Snow Peak Mining Convertible Notes means the Convertible Notes that were issued to Snow Peak Mining Pty Ltd (ACN 161 212 504) on the terms and conditions set out in Schedule 1 of the Company's notice of general meeting release to the ASX on 3 March 2016.

Vacating Directors means the Directors who were Directors of the Company when the resolution to make the Directors' Report considered at the last Annual General Meeting of the Company was passed, other than the Managing Director at that time.

SCHEDULE 1 – PRO-FORMA BALANCE SHEET

Pro Forma Historical Balance Sheet as at 30 December 2018 '\$000	Note	Statutory	Pro forma adjustments	Pro Forma
Assets				
<i>Current assets</i>				
Cash and cash equivalents	1,6	487	21,967	22,454
Trade and other receivables		2,657	-	2,657
Inventories		1,653	-	1,653
Prepayments		2,212	-	2,212
Total current assets		7,009	21,967	28,976
<i>Non-current assets</i>				
Property, plant and equipment	2	20,563	637	21,200
Exploration and evaluation assets		41,110	-	41,110
Mining tenements		16,277	-	16,277
Bonds and deposits		11,842	-	11,842
Total non-current assets		89,792	637	90,429
Total assets		96,801	22,604	119,405
Liabilities				
<i>Current liabilities</i>				
Trade and other payables	2	9,085	77	9,162
Employee leave liabilities		1,401	-	1,401
Loans and borrowings	3	32,758	(30,382)	2,376
Total current liabilities		43,244	(30,305)	12,939
<i>Non-current liabilities</i>				
Loans and borrowings	3,6	10,712	(10,712)	-
Employee leave liabilities		732	-	732
Provisions		10,802	-	10,802
Total non-current liabilities		22,246	(10,712)	11,534
Total liabilities		65,490	(41,017)	24,473
Net assets		31,311	63,621	94,932
Equity				
Contributed equity	4	121,020	65,592	186,612
Retained earnings	5	(89,709)	(1,971)	(91,680)
Total equity		31,311	63,621	94,932

NOTES:

- Pro Forma cash increases by \$22.0 million reflecting \$23.9 million in equity raised through pre relisting private placements, \$2.7 million in cash acquired from pre relist loans and borrowings, \$0.9 million from the refinance of finance leases, offset by the repayment of \$3.7 million in loans and borrowings, and the transaction costs of \$1.8 million comprised of \$1.1 million in pre relist new equity costs and \$0.7 million in costs directly related to the relist. \$23.9 million in equity raised through private placements is via the proceeds of:

- (A) \$19.9 million private placement from Wealth Pointer Global Limited ('WPGL'). The Share Subscription agreement is for the issuance of 34,710,743 ordinary shares at \$0.605 per share.
 - (B) \$4.0 million private placement from a Canadian Family Trust. The Share Subscription agreement is for the issuance of 6,611,571 ordinary shares at \$0.605 per share.
2. Between 31 December 2018 and the date of the Notice, CSD confirmed an additional \$1.5 million in finance leases were entered into. \$0.9 million of this balance was received as cash for refinancing existing leases, and \$0.6 million was for the acquisition of new property, plant and equipment. CSD also incurred \$0.1 million in finance lease fees payable.
 3. \$43.5 million in loans and borrowings at 31 December 2018 decreased to \$2.4 million on completion through the following pro forma adjustments:
 - (A) \$38.5 million in loans from Cyan Stone at 31 December 18, increased by \$3.4 million at completion to \$42.8 million due to \$2.2 million in additional draw-down and \$1.2 million in accrued interest. At completion, \$42.8 million of these loans and borrowings will convert to equity.
 - (B) \$3.2 million in other related party loans at 31 December 18 increased by \$0.4 million at completion to \$3.7 million and will be paid down from cash.
 - (C) \$0.8 million in finance leases outstanding at 31 December 2018 increased by \$1.5 million to \$2.4 million on completion.
 4. Adjustment to contributed equity reflects \$23.9 million in new equity issued prior to relist, \$42.8 million of loans which will convert to equity, and less \$1.1 million in relist transaction costs allocated to equity.
 5. Adjustment to retained earnings reflects \$0.7 million in advisory costs directly in relation to the relist, \$1.1 million in accrued interest in relation to the Cyan loans and \$0.1 million in relation to the pre relist finance leases fees.
 6. CSD will make principal repayments to the outstanding Cyan Stone Operating Loan up to a maximum of \$10 million, with the first payments commencing 26 June 2019. Any of the amounts repaid to Cyan Stone during this period will be re-drawn by CSD on the earlier of 15 August 2019 or the end date of the debt conversion agreement between CSD and Cyan Stone. The outstanding loan amount will convert to equity as outlined in note 3 a) above.

SCHEDULE 2 – INCENTIVE OPTION SCHEME TERMS AND CONDITIONS

Capitalised terms in this schedule has the same meaning as those defined in the Incentive Option Scheme and the Glossary.

(a) **Eligibility and Grant of Options**

The Board may grant Options to:

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

who is declared by the Board to be eligible to receive grants of Options under the Incentive Option Scheme.

(b) **Consideration**

Unless the Options are quoted on the ASX, Options issued under the Incentive Option Scheme will be issued for no more than nominal cash consideration.

(c) **Exercise Price and Expiry Date**

The exercise price and expiry date for Options granted under the Incentive Option Scheme will be determined by the Board prior to the grant of the Options. To the extent the ASX Listing Rules specify or require a minimum price, the Option Exercise Price in respect of an Option offered under an Offer must not be less than any minimum price specified in the ASX Listing Rules.

(d) **Vesting Conditions**

An Option may be made subject to Vesting Conditions as determined by the Board in its discretion and as specified in the Offer for the Option.

An Option granted under the Scheme will not vest and be exercisable unless the Vesting Conditions (if any) attaching to the Option have been satisfied and the Board has notified the Participant of that fact.

(e) **Acceptance Time Period**

An Eligible Participant (or permitted Nominee) may only accept an Offer no later than the Closing Date set out in the Offer Document.

(f) **Number of Options**

Subject to Rule 4.13 of the Incentive Option Scheme, the number of Options (if any) to be offered to an Eligible Participant from time to time will be determined by the Board in its discretion and in accordance with the Rules and applicable law and the ASX Listing Rules.

Each Option will entitle the holder to subscribe for and be allotted one Share.

(g) **Limitations on Issues**

The Company must have reasonable grounds to believe, when making an Offer, that the number of Shares to be received on exercise of Options offered under an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by ASIC Class Order 14/1000 or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.

(h) **Quotation of Options**

Options will not be quoted on the ASX, except as provided for by the Incentive Option Scheme or unless the Offer provides otherwise.

(i) **Lapsing of Options**

An Option will lapse upon the earlier to occur of:

- (i) an unauthorised dealing in, or hedging of, the Option occurring, as governed by Rule 6.3(c) of the Incentive Option Scheme;
- (ii) a Vesting Condition in relation to the Option is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the Option under Rule 7.2 (*Vesting Condition Exceptions*) or clause 10.1(c)(ii) of the Incentive Option Scheme applies;
- (iii) in respect of unvested Options only, a holder ceases to be an Eligible Participant, unless the Board:
 - (A) exercises its discretion to vest the Option under Rule 7.2 (*Vesting Condition Exceptions*) of the Incentive Option Scheme; or
 - (B) in its absolute discretion, resolves to allow the unvested Options to remain unvested after the holder ceases to be an Eligible Participant;
 - (C) in respect of vested Options only, a holder ceases to be an Eligible Participant and the Option granted in respect of that holder is not exercised within one (1) month (or such later date as the Board determines) of the date the Relevant Person ceases to be an Eligible Participant;
- (iv) the Board deems that an Option lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant under Rule 10.2 of the Incentive Option Scheme (*Fraud and Related Matters*);
- (v) the Company undergoes a Change of Control or a winding up resolution or order is made, and the Option does not vest in accordance with Rule 7.2 (*Vesting Condition Exceptions*) of the Incentive Option Scheme; and
- (vi) the Expiry Date of the Option.

(j) **Personal Offer**

Subject to Rule 4.4 of the Incentive Option Scheme, an Offer is personal and is not assignable.

(k) **Exchange Due to Change of Control**

If a company (**Acquiring Company**) obtains control of the Company as a result of a Change of Control and both the Company and the Acquiring Company agree, a Participant may, in respect of any vested Options that are exercised, be provided with shares of the Acquiring Company, or its parent, in lieu of Shares, on substantially the same terms and subject to substantially the same conditions as the Shares, but with appropriate adjustments to the number and kind of shares subject to the Options.

(l) **Participation in Rights Issues and Bonus Issues**

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

(m) **Reorganisation**

If at any time the capital of the Company is reorganised, the terms of the Options will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

(n) **Overriding Restrictions on Issue and Exercise**

Notwithstanding the Rules or the terms of any Option, no Option may be offered, granted or exercised and no Share may be issued under the Incentive Option Scheme if to do so:

- (i) would contravene the Corporations Act, the ASX Listing Rules or any other applicable law; or
- (ii) would contravene the local laws or customs of an Eligible Participant's country of residence or in the opinion of the Board would require actions to comply with those local laws or customs which are impractical

SCHEDULE 3 – INCENTIVE OPTION TERMS AND CONDITIONS

(a) **Entitlement**

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

(b) **Exercise Price**

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

(c) **Exercise Period and Expiry Date**

Class A Incentive Options

The Class A Incentive Options shall vest on the date that is one (1) year after the date that the Incentive Options are granted (**Class A Vesting Date**).

The Class A Incentive Options are exercisable during the period from the Class A Vesting Date to the date that is one (1) year after the Class A Vesting Date (**Class A Expiry Date**).

Any Class Incentive Option not exercised before the Class A Expiry Date will automatically lapse on the Class A Expiry Date.

Class B Incentive Options

Class B Incentive Options shall vest in monthly increments of commencing on the date that is thirteen (13) months after the date that the Incentive Options are granted. The date that the relevant tranche of Class B Incentive Options vests is referred to as the **Class B Vesting Date**.

The Class B Incentive Option are exercisable at any time during the period from their relevant Class B Vesting Date to the date that is one (1) year after their relevant Class B Vesting Date (**Class B Expiry Date**).

Any Class B Incentive Option not exercised before their relevant Class B Expiry Date will automatically lapse on their relevant Class B Expiry Date.

(d) **Cessation of Engagement**

Upon the resignation of a holder, dismissal of a holder with cause or should the holder no longer be eligible to be a Director of the Company, all unvested Incentive Options shall lapse immediately.

Should a holder's engagement be terminated by the Company without cause or be made redundant, all unvested Incentive Options shall vest immediately.

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

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

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

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

The Options are not transferable.

SCHEDULE 4 – VALUATION OF INCENTIVE OPTIONS

The Incentive Options to be issued to the Related Parties pursuant to Resolutions 11 to 15 have been valued by internal management.

Using the binomial options pricing model and based on the assumptions set out below, the Incentive Options were ascribed the following value:

Assumptions:	
Valuation date	9 May 2019
Market price of Shares	25 cents (in suspension)
Exercise price	25 cents
Expiry date (length of time from issue)	2.7 years (weighted average duration of option scheme)
Risk free interest rate	1.5% (RBA cash rate)
Volatility (discount)	20%
Indicative value per Incentive Option	3.7 cents
Total Value of Related Party Options	\$1,110,000
<i>Morris lemma</i>	\$222,000
<i>Mr Yading (Caden) Wan</i>	\$222,000
<i>Ms Teresa Dyson</i>	\$222,000
<i>Mr Ze Huang (Martin) Cai</i>	\$222,000
<i>Mr Ralph De Lacey</i>	\$222,000

Note: The valuation noted above is not necessarily the market price that the Related Party Options could be traded at and is not automatically the market price for taxation purposes.

ANNEXURE A – REINSTATEMENT CONDITIONS

ASX has advised the Company (or CSD) that it sees no reason why the securities of CSD should not be reinstated to official quotation, subject to compliance with the following Reinstatement Conditions.

1. Confirmation that the joint deed of company arrangement executed on 8 December 2016 (**DOCA**) has been fully effectuated and CSD is not subject to any other forms of external administration, receivership or liquidation.
2. Despatch of this Notice of Meeting containing (inter alia) disclosures about the activities of CSD since its securities were suspended from official quotation on 29 June 2016 to the satisfaction of ASX.
3. Shareholders approving Resolution 9 of this Notice of Meeting to convert Cyan Stone's debt to Shares.
4. Confirmation of completion of the issue of 71,100,000 Shares to Cyan Stone on conversion of Cyan Stone's debt to Shares.
5. The release by CSD of a full form prospectus for the purposes of section 710 of the Corporations Act for a nominal capital raising, and that offer having closed satisfying its minimum subscription requirement.
6. CSD demonstrating to the satisfaction of ASX the following:
 - 6.1. That it has net tangible assets of not less than \$4 million after deducting the cost of any fundraising (refer Listing Rule 1.3.1(a));
 - 6.2. That it has working capital of at least \$1.5 million. The amount must be available after allowing for the first full financial year's budgeted administration cost and the cost of acquiring any assets referred to in a prospectus to the extent those costs are to be met out of working capital (refer Listing Rule 1.3.3(b)).
7. Confirmation in a form acceptable to ASX that CSD has received cleared funds which are deposited in an Australian bank account in the name of CSD for the complete amount of the issue price of every security allotted and issued under each of:
 - 7.1. The July 2018 Placement (being, (a) the placement of 14,764,833 Shares at \$0.60 per Share to raise \$8,858,900; and (b), the issue of 19,817,678 Shares at \$0.12615 per Share to raise \$2,500,000 upon the exercise of an Option by Cyan Stone);
 - 7.2. The August 2018 Placement (being, the placement of 2,517,332 Shares at an issue price of \$0.60 each as announced to the ASX on 7 August 2018). For the avoidance of doubt, the total raised under paragraph (a) of the July 2018 Placement; and the August 2018 Placement, was \$11,998,987;
 - 7.3. The April 2019 Placement (being, the placement of 34,710,743 Shares at an issue price of \$0.605 each to raise a total of \$20,999,999 as announced to the ASX on 4 April 2019); and
 - 7.4. The May 2019 Placement (being, the placement of 6,661,571 Shares at an issue price of \$0.60 each to raise a total of \$4,000,000 as announced to the ASX on 22 May 2019).
8. Confirmation in a form acceptable to ASX that CSD has received cleared funds for the complete amount of the issue price of every security allotted and issued

to every successful applicant for securities under the capital raising under the Prospectus.

9. Confirmation that, except for the Baal Gammon site, CSD retains the businesses and assets (other than cash) that it held prior to the appointment of the Administrators on 19 July 2016, including any businesses and assets held on trust for CSD pursuant to the asset sale agreement dated 24 October 2014 and settled on 19 April 2016 entered into between CSD, SPM, SPII Surveyor Mining Pty Ltd and Colinacobre Pty Ltd (**ASA (Business and Assets)**), and that none of these assets formed part of the deed funds established pursuant to the DOCA.
10. Confirmation of completion of the ASA and the effectuation of the legal transfer of all of the Business and Assets of SPM as outlined in section 14 of the Report to Creditors of CSD dated 15 November 2016, including the payment of outstanding stamp duty to the Queensland Office of State Revenue with respect to the ASA.
11. CSD demonstrating compliance with Chapter 12 of the Listing Rules to the satisfaction of ASX and in particular that CSD's level of operations satisfies the requirement of Listing Rule 12.1 including:
 - 11.1. confirmation that all of CSD's material tenements are in good standing;
 - 11.2. confirmation that CSD is in compliance with all of its unconditional performance bonds and mining rehabilitation fund obligations;
 - 11.3. confirmation that there are no legal, regulatory or contractual impediments to CSD undertaking its activities as set out in the prospectus;
 - 11.4. CSD's level of shareholder spread will satisfy the requirements of Listing Rule 12.4, with there being at least 300 holders each holding at least \$500 worth of Shares and 225 of which are Australian resident Shareholders (such calculation to be based on the price at which CSD raises capital as part of the recapitalisation).
12. Confirmation that CSD's secured creditors have released and discharged any security granted to them by CSD and there are no outstanding security interests over CSD's assets and that CSD's secured creditors have no further interest in CSD's assets (save for security granted in the day to day operation of CSD's business).
13. Confirmation of the repayment of loans and interest in full to Ming Huang Trading Limited, Ralph De Lacey and Snow Peak International Limited.
14. Confirmation (to the satisfaction of ASX) that SPM and CSD have complied with the Department of Environment and Heritage Protection clean up notice with respect to the Baal Gammon Project.
15. Confirmation (to the satisfaction of ASX) that no event of default has occurred under the two loan agreements with Cyan Stone.
16. Confirmation of the completion of all agreements required to complete the recapitalisation of CSD.
17. Lodgement of all outstanding Appendices 3B with ASX for issues of new securities.
18. Reinstatement of CSD's CHES sub-register.
19. CSD having a free float (as that term is defined in Chapter 19 of the Listing Rules) of not less than 20% at the time of its reinstatement to the Official List.
20. Provision of copies of restriction agreements entered into by CSD, together with

undertakings provided by a bank, recognised trustee or the provider of registry services, in relation to the restricted securities of CSD, if required.

21. Lodgement of any outstanding reports for the period since CSD's securities were suspended and any other outstanding documents required by Listing Rule 17.5.
22. Lodgement of Director's Interest Notices, being either Appendix 3Xs, 3Ys, or 3Zs, as required.
23. Confirmation that there are no legal, regulatory or contractual impediments to CSD undertaking its existing activities.
24. Payment of any ASX fees, including listing fees, applicable and outstanding (including the annual listing fee for the year ended 30 June 2020).
25. Confirmation the securities to be issued following the Meeting have been issued, and despatch of each of the following has occurred.
 - 25.1. In relation to all holdings on the CHESS subregister, a notice from CSD under ASX Settlement Operating Rule 8.9.1.
 - 25.2. In relation to all other holdings, issuer sponsored holding statements.
 - 25.3. Any refund money.
26. Provision of the following documents, in a form suitable for release to the market.
 - 26.1. A statement setting out the names of the 20 largest holders of each class of securities to be quoted, including the number and percentage of each class of securities held by those holders.
 - 26.2. A distribution schedule of the numbers of holders in each class of security to be quoted, setting out the number of holders in the following categories.
 - 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over
 - 26.3. A statement outlining CSD's capital structure following the Meeting on a post-issue basis and post- consolidation basis.
 - 26.4. A statement confirming the completion of the ASA and the effectuation of the legal transfer of all of the Business and Assets of SPM as outlined in section 14 of the Report to Creditors of CSD dated 15 November 2016, including the payment of outstanding stamp duty to the Queensland Office of State Revenue with respect to the ASA.
 - 26.5. A statement confirming that CSD's secured creditors have released and discharged any security granted to them by CSD and there are no outstanding security interests over CSD's assets and that CSD's secured creditors have no further interest in CSD's assets (save for security granted in the day to day operation of CSD's business).
 - 26.6. A statement confirming the issue of 71,100,000 shares to Cyan Stone on conversion of Cyan Stone's debt to shares in CSD.
 - 26.7. A statement confirming the repayment of loans and interest in full to Ming

- Huang Trading Limited, Ralph De Lacey and Snow Peak International Limited.
- 26.8. Details of CSD's current offtake party and the material terms of each offtake agreement.
 - 26.9. Details of any changes to CSD's business model since the appointment of administrators.
 - 26.10. A statement confirming (to the satisfaction of ASX) that SPM and CSD have complied with the Department of Environment and Heritage Protection clean up notice with respect to the Baal Gammon Project
 - 26.11. A statement confirming (to the satisfaction of ASX) that no event of default has occurred under the two loan agreements with Cyan Stone.
 - 26.12. A statement confirming the completion of all agreements required to complete the recapitalisation of CSD.
 - 26.13. CSD's reviewed pro forma balance sheet following completion of the recapitalisation.
 - 26.14. CSD's updated statement of commitments following completion of the recapitalisation.
 - 26.15. A consolidated activities report setting out the proposed business strategy for CSD including Business and Assets and current activities.
 - 26.16. Full terms and conditions of all options on issue (if any).
 - 26.17. Full terms and conditions of any employee incentive schemes (if any).
 - 26.18. A statement disclosing the extent to which CSD will follow, as at the date its securities are reinstated, the recommendations set by the ASX Corporate Governance Council. If CSD does not intend to follow all of the recommendations on its reinstatement, CSD must identify those recommendations that will not be followed and give its reasons for not following them.
 - 26.19. A statement setting out the number of securities subject to ASX restrictions and the restriction period applied to those securities, if applicable.
 - 26.20. A copy of CSD's securities trading policy as required by Listing Rule 12.9.
 - 26.21. CSD's annual review of its resources and reserves for the year ended 30 June 2018 as required by ASX Listing Rule 5.21.
 - 26.22. An update on all litigation with respect to CSD.
 - 26.23. A statement that there are no legal, regulatory or contractual impediments to CSD undertaking the activities the subject of the commitments disclosed in the Notice and the disclosure document issued for the Recapitalisation.
 - 26.24. A statement confirming CSD is in compliance with the Listing Rules and in particular Listing Rule 3.1.
 - 26.25. Any further documents and confirmations ASX may determine are required to be released to the market as pre-quotations disclosure following its review of the prospectus and any ancillary documentation.
27. Confirmation of the responsible person for the purposes of Listing Rule 1.1 condition 13.

28. Provision of any other information required or requested by ASX or satisfaction of any other conditions required by ASX including, but not limiting the generality of the foregoing, in relation to any issues that may arise (1) from ASX's review of the prospectus to be issued by CSD and (2) from ASX's review of CSD's financial reports.

The Company has until 27 September 2019 to comply with the Reinstatement Conditions set out above and have its securities reinstated to official quotation on the ASX.

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (b) post to Consolidated Tin Mines Limited, 395 Lake Street, Cairns, North QLD 4870; or
 - (c) facsimile to the Company on facsimile number +61 7 4027 9429,
 - (d) by email to: admin@csdfin.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.

PROXY FORM

CONSOLIDATED TIN MINES LIMITED
ACN 126 634 606

2016 ANNUAL GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the 2016 Annual General Meeting, hereby appoint:

Name:

OR: the Chair of the 2016 Annual General Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the 2016 Annual General Meeting to be held at 2:00 pm AEST, on 13 September 2019 at Level 16, 5 Martin Place, Sydney 2000, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 & 2 (except where I/we have indicated a different voting intention below) even though Resolutions 1 & 2 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

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

Voting on business of the 2016 Annual General Meeting	FOR	AGAINST	ABSTAIN
Resolution 1 Adoption of 2016 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail
in relation to this Proxy Form: YES NO

PROXY FORM

CONSOLIDATED TIN MINES LIMITED
ACN 126 634 606

2017 ANNUAL GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the 2017 Annual General Meeting, hereby appoint:

Name:

OR: the Chair of the 2017 Annual General Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the 2017 Annual General Meeting to be held at 2:10pm AEST, on 13 September 2019 at Level 16, 5 Martin Place, Sydney 2000, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 & 2 (except where I/we have indicated a different voting intention below) even though Resolutions 1 & 2 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions other than Resolution 2 (if applicable) where the Chair intends to vote against. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the 2017 Annual General Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of 2017 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Optional Spill Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail
in relation to this Proxy Form: YES NO

PROXY FORM

CONSOLIDATED TIN MINES LIMITED
ACN 126 634 606

2018 ANNUAL GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the 2018 Annual General Meeting, hereby appoint:

Name:

OR: the Chair of the 2018 Annual General Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the 2018 Annual General Meeting to be held at 2:20 pm AEST, 13 September 2019 at Level 16, 5 Martin Place, Sydney 2000, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 2, 9, 10, 11, 12, 13, 14 and 15 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 2, 9, 10, 11, 12, 13, 14 and 15 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions other than Resolution 2 (if applicable) where the Chair intends to vote against. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the 2018 Annual General Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of 2018 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Optional Spill Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director – Mr Ze Huang (Martin) Cai	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of Director – Mr Morris lemma	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Re-election of Director – Mr Yading (Caden) Wan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Re-election of Director – Ms Teresa Dyson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of Prior Issue – Duan Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Ratification of Prior Issue – WPGI Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Issue of Shares - Debt Conversion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Adoption of Incentive Option Scheme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Issue of Incentive Options - Mr Morris lemma	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12	Issue of Incentive Options - Mr Yading (Caden) Wan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13	Issue of Incentive Options - Ms Teresa Dyson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 14	Issue of Incentive Options - Mr Ze Huang (Martin) Cai	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 15	Issue of Incentive Options - Mr Ralph De Lacey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 16	Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to

vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

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

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail in relation to this Proxy Form: YES NO