
MANTLE MINING CORPORATION LIMITED

ABN 70 107 180 441

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11.30am (EDT)

DATE: 18 November 2010

PLACE: The offices of RSM Bird Cameron
Level 12
60 Castlereagh Street
Sydney, New South Wales

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 3) 9602 4133.

CONTENTS PAGE

Notice of Annual General Meeting (setting out the proposed resolutions)	3
Explanatory Statement (explaining the proposed resolutions)	7
Glossary	17
Schedule 1 – Terms and Conditions of Options	18
Schedule 2 – Terms and Conditions of Director Options	20
Schedule 3 – Valuation of Director Options	22
Proxy Form	23

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11.30 am (EDT) on 18 November 2010 at:

The offices of RSM Bird Cameron
Level 12
60 Castlereagh Street
Sydney NSW

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Mantle Mining Corporation Limited, GPO Box 2986, Melbourne, Victoria 3001; or
- (b) facsimile to the Company on facsimile number (+61 3) 9670 6643; or
- (c) email to the Company Secretary at winton@azc.com.au,

so that it is received not later than 11.30am (EDT) on 16 November 2010.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 11.30 am (EDT) on 18 November 2010 at the offices of RSM Bird Cameron, Level 12, 60 Castlereagh Street, Sydney, New South Wales.

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7.00pm (EDT) on 16 November 2010.

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

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2010 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF 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 purpose 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 2010.”

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – PETER ANDERTON

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 and for all other purposes, Peter Anderton, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES TO AZALEA CONSULTING PTY LTD

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 824,490 Shares to Azalea Consulting Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and 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.

4. RESOLUTION 4 – PLACEMENT – OPTIONS TO CONSULTANT/EMPLOYEE

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue 500,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and 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.

5. RESOLUTION 5 – ISSUE OF SHARES TO MARTIN BLAKEMAN (OTHER OUTSTANDING DIRECTOR’S FEES)

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

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 1,309,795 Shares to Martin Blakeman (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Martin Blakeman (or his nominee) or any of his 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.

6. RESOLUTION 6 – ISSUE OF SHARES TO MARTIN BLAKEMAN

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

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 341,686 Shares to Martin Blakeman (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Martin Blakeman (or his nominee) or any of his 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.

7. RESOLUTION 7 – ISSUE OF SHARES TO STEPHEN DE BELLE

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

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 284,738 Shares to Stephen de Belle (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Stephen de Belle (or his nominee) or any of his 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.

8. RESOLUTION 8 – ISSUE OF SHARES TO PETER ANDERTON

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

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 284,738 Shares to Peter Anderton (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Peter Anderton (or his nominee) or any of his 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.

9. RESOLUTION 9 – ISSUE OF SHARES TO IAN KRAEMER

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

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 284,738 Shares to Ian Kraemer (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Ian Kraemer (or his nominee) or any of his 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.

10. RESOLUTION 10 – ISSUE OF DIRECTOR OPTIONS TO IAN KRAEMER

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

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 3,000,000 Director Options to Ian Kraemer (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Ian Kraemer (or his nominee) or any of his 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.

DATED: 5 OCTOBER 2010

BY ORDER OF THE BOARD



**MARTIN BLAKEMAN
CHAIRMAN**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 11.30 am (EDT) on 18 November 2010 at the offices of RSM Bird Cameron, Level 12, 60 Castlereagh Street, Sydney, New South Wales.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2010 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.mantlemining.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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 Directors or 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 the financial year ending 30 June 2010.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – PETER ANDERTON

Clause 11.3 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third, shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 11.3 of the Constitution is eligible for re-election.

The Company currently has four Directors and accordingly one must retire.

Peter Anderton, the Director longest in office since his last election, retires by rotation and seeks re-election.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES TO AZALEA CONSULTING PTY LTD

4.1 General

Since the last general meeting of Shareholders the Company has issued 824,490 Shares to Azalea Consulting Pty Ltd (**Azalea**), as an alternative to the payment of cash remuneration in relation to company secretarial services for the period from 1 July 2009 to 30 September 2010.

Azalea is not a related party of the Company.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Azalea Share Ratification**).

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 7.4 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 this issue, 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.

4.2 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 the Azalea Share Ratification:

- (a) 824,490 Shares were allotted;
- (b) the Shares were issued as an alternative to the payment of cash remuneration for the provision of company secretarial services for the period from 1 July 2009 to 30 September 2010 and, as such the Shares were issued for nil consideration;
- (c) the Shares issued were all 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 allotted and issued to Azalea Consulting Pty Ltd; and
- (e) no funds were raised from the issue.

5. RESOLUTION 4 – PLACEMENT – OPTIONS TO CONSULTANT/EMPLOYEE

5.1 General

Resolution 4 seeks Shareholder approval for the allotment and issue of 500,000 Options to a consultant and an employee in part consideration for geological services provided to the Company (**Option Placement**).

None of the recipients pursuant to this issue will be related parties of the Company.

A summary of ASX Listing Rule 7.1 is set out in Section 4.1 above.

The effect of Resolution 4 will be to allow the Directors to issue the Options pursuant to the Option Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.2 Technical information required by ASX Listing Rule 7.1

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

- (a) the maximum number of Options to be granted is 500,000;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) the Options will be issued for nil cash consideration;
- (d) the Options will be allotted and issued to the following parties in the following proportions:

Recipient	Number of Options
Stuart Moore (or his nominee)	250,000
Alex Brown (or his nominee)	250,000

- (e) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the Option Placement as the Options are being issued part consideration for geological services provided to the Company.

6. RESOLUTIONS 5 TO 9 – ISSUE OF SHARES TO DIRECTORS

6.1 General

The Company has agreed, subject to obtaining Shareholder approval, to allot and issue a total of 2,505,695 Shares (**Director Shares**) to Messrs Blakeman, de Belle, Anderton and Kraemer (or their respective nominees) (**Related Parties**) on the terms and conditions set out below.

The Director Shares are to be issued to the Related Parties will be issued as an alternative to the payment of the following accrued (but unpaid) Directors' remuneration for as follows:

- (a) 1,309,795 Shares to be issued to Martin Blakeman in lieu of payment of unpaid miscellaneous Directors fees accrued (but unpaid) in the amount of \$57,500 for the period up to 30 September 2010 but excluding those directors fees the subject of Resolution 6. (**Blakeman Other Director's Fees Shares**); and
- (b) for the period from 1 October 2009 to 30 September 2010 (being equivalent to \$15,000 for the Chairman and \$12,500 for each other each Director for that period):

Related Party	Amount of accrued but unpaid remuneration for period from 1 October 2009 to 30 September 2010	Director Shares to be issued in lieu of accrued but unpaid remuneration for period from 1 October 2009 to 30 September 2010
Martin Blakeman	\$15,000	341,686
Stephen de Belle	\$12,500	284,738
Peter Anderton	\$12,500	284,738
Ian Kraemer	\$12,500	284,738

The number of Director Shares to be issued to the Directors as an alternative to the payment of the accrued (but unpaid) Directors' remuneration for:

- (a) the Blakeman Other Director's Fees; and
- (b) the period from 1 October 2009 to 30 September 2010 as set out above (**2009-2010 Directors' Fees**),

was calculated by reference to the 10 day VWAP of Shares traded on ASX to 30 September 2010.

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.

In addition, 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.

The issue of the Director Shares to the Related Parties requires the Company to obtain Shareholder approval because the issue of Director Shares constitutes giving a financial benefit and as Directors, Messrs Blakeman, de Belle, Anderton and Kraemer are related parties of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of Director Shares to the Related Parties.

6.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of Director Shares:

- (a) the related parties are Messrs Blakeman, de Belle, Anderton and Kraemer and they are related parties by virtue of being Directors;
- (b) the maximum number of Director Shares (being the nature of the financial benefit being provided) to be granted to the Related Parties (of their respective nominees) pursuant to Resolutions 5 to 9 is:
 - (i) 1,651,481 to Mr Blakeman (being 1,309,795 Director Shares pursuant to Resolution 5 and 341,686 Director Shares pursuant to Resolution 6);
 - (ii) 284,738 to Mr de Belle;
 - (iii) 284,738 to Mr Anderton; and
 - (iv) 284,738 to Mr Kraemer;
- (c) the Director Shares will be issued to the Related Parties no later than 1 month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Director Shares will be issued on one date;
- (d) the Director Shares will be issued as an alternative to the payment of the Blakeman Other Director's Fees and the 2009-2010 Directors' Fees in the proportions set out in Section 6.1. As such the Director Shares will be issued for nil consideration, accordingly no funds will be raised;
- (e) the Director Shares issued will be fully paid ordinary shares in the capital of the Company and on the same terms as the Company's existing Shares;

- (f) the relevant interests of the Related Parties in securities of the Company is as follows:

Director	Shares	Options
Martin Blakeman	16,166,781	1,520,459 ¹
Stephen de Belle	4,151,345	682,500 ²
Peter Anderton	3,877,521	125,000 ³
Ian Kraemer	161,220	253,438 ⁴

Notes:

1. 1,520,459 Options exercisable at \$0.07 each on or before 31 December 2010.
2. 382,500 Options exercisable at \$0.07 each on or before 31 December 2010 and 300,000 Options exercisable at \$0.25 each on or before 30 June 2011.
3. 125,000 Options exercisable at \$0.07 each on or before 31 December 2010
4. 3,438 Options exercisable at \$0.07 each on or before 31 December 2010, 250,000 Options exercisable at \$0.25 each on or before 31 December 2011.

- (g) the remuneration and emoluments from the Company to the Related Parties for both the current financial year and previous financial year is as follows:

Director	Remuneration for year ended 30 June 2010	Remuneration for year ended 30 June 2011
Martin Blakeman	\$30,000	\$30,000
Stephen de Belle	\$25,000	\$25,000
Peter Anderton	\$25,000	\$25,000
Ian Kraemer	\$188,500	\$205,396

Notes:

These amounts include a total of \$52,500 accrued Director remuneration for the period from 1 October 2009 to 30 September 2010 which is due and payable to the Directors in the proportions set out in Section 6.1. Subject to Shareholder approval being obtained in accordance with Resolutions 6 to 9, these accrued amounts will be satisfied by the issue of the Director Shares to those Directors in the proportions set out in Section 6.1. If Shareholders do not approve Resolutions 6 to 9, then of the amounts set out above for the relevant period will remain payable.

- (h) if the Director Shares are granted to the Related Parties, a total of 2,505,695 Shares would be allotted and issued. This will increase the number of Shares on issue from 149,201,789 to 151,707,484 with the effect that the shareholding of existing Shareholders would be diluted as follows:

Related Party	Issued Shares as at the date of this Notice of Meeting	Director Shares to be issued	Dilutionary effect after Director Shares are issued
Martin Blakeman	16,166,781	1,651,481	1.09%
Stephen de Belle	4,151,345	284,738	0.19%
Peter Anderton	3,877,521	284,738	0.19%

Ian Kraemer	161,220	284,738	0.19%
TOTAL	24,356,867	2,505,695	1.66%

- (i) the trading history of the Shares on ASX in the 12 months before the date of this Notice of Annual General Meeting is set out below:

	Price	Date
Highest	8.8 cents	11 December 2009
Lowest	2 cents	25 May, 7 June and 29 June 2010
Last	4.2 cents	4 October 2010

- (j) the primary purpose for allotting the Director Shares in lieu of their director's fees for the relevant periods to Messrs Blakeman, de Belle, Anderton and Kraemer is to preserve the Company's working capital and the Board considers the issue of the Director Shares to Messrs Blakeman, de Belle, Anderton and Kraemer to be reasonable in the circumstances. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Director Shares upon the terms proposed;
- (k) Mr Blakeman declines to make a recommendation to Shareholders in relation to Resolutions 5 and 6 due to his material personal interest in the outcome of the Resolutions. The other Directors, who do not have a material interest in the outcome of Resolutions 5 and 6, recommend that Shareholders vote in favour of Resolutions 5 and 6 on the basis that the issue of Director Shares to Mr Blakeman as an alternative to the payment of accrued (but unpaid) Director remuneration will assist the Company in the preservation of its cash reserves. The Board (other than Mr Blakeman) 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 the Resolution;
- (l) Mr de Belle declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 7, recommend that Shareholders vote in favour of Resolution 7 on the basis that the issue of Director Shares to Mr de Belle as an alternative to the payment of accrued (but unpaid) Director remuneration will assist the Company in the preservation of its cash reserves. The Board (other than Mr de Belle) 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 the Resolution;
- (m) Mr Anderton declines to make a recommendation to Shareholders in relation to Resolution 8 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 8, recommend that Shareholders vote in favour of Resolution 8 on the basis that the issue of Director Shares to Mr Anderton as an alternative to the payment of accrued (but unpaid) Director remuneration will assist the Company in the preservation of its cash reserves. The Board (other than Mr Anderton) 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 the Resolution; and

- (n) Mr Kraemer declines to make a recommendation to Shareholders in relation to Resolution 10 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 10, recommend that Shareholders vote in favour of Resolution 10 on the basis that the issue of Director Shares to Mr Kraemer as an alternative to the payment of accrued (but unpaid) Director remuneration will assist the Company in the preservation of its cash reserves. The Board (other than Mr Kraemer) 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 the Resolution.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Shares to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Director Shares 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

7. RESOLUTION 10 – ISSUE OF DIRECTOR OPTIONS TO IAN KRAEMER

7.1 General

The Company has agreed, subject to obtaining Shareholder approval, to allot and issue a total of 3,000,000 Options (**Director Options**) to Mr Ian Kraemer on the terms and conditions set out below.

The Directors Options shall be issued in two tranches as follows:

- (a) 1,000,000 Director Options exercisable on the earlier of 30 days after Ian Kraemer ceases to be engaged by the Company or before 31 December 2011 at an exercise price of the higher of:
 - (i) 10 cents; and
 - (ii) that price which is twice the value of the closing price of the Company's Shares on the last trading day on ASX prior to the date of the Annual General Meeting,

(Tranche 1 Director Options); and
- (b) 2,000,000 Director Options exercisable on the earlier of 30 days after Ian Kraemer ceases to be engaged by the Company or before 31 December 2012 at an exercise price of 20 cents (**Tranche 2 Director Options**).

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.

A summary of ASX Listing Rule 10.11 is set out in Section 6.1 above.

The grant of the Director Options to Mr Kraemer requires the Company to obtain Shareholder approval because the grant of Director Options constitutes giving a financial benefit and as Director, Kraemer is a related party of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Director Options to Kraemer.

7.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Director Options:

- (a) the related party is Mr Ian Kraemer and he is a related party by virtue of being a Director;
- (b) the maximum number of Director Options (being the nature of the financial benefit being provided) to be granted to Mr Kraemer is 3,000,000 Director Options;
- (c) the Director Options will be granted to Mr Kraemer no later than 1 month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Director Options will be issued on one date;
- (d) the Director Options will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Director Options are set out in Schedule 2;
- (f) the value of the Director Options and the pricing methodology is set out in Schedule 3;
- (g) the relevant interest of Mr Kraemer in securities of the Company is set out in Section 6.2(f) above;
- (h) the remuneration and emoluments from the Company to Mr Kraemer for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out in Section 6.2(g) above;
- (i) if the Director Options granted to Mr Kraemer are exercised, a total of 3,000,000 Shares would be allotted and issued. This will increase the number of Shares on issue from 149,201,789 to 152,201,789 (assuming that no other Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2%.

The market price for Shares during the term of the Director Options would normally determine whether or not the Director Options are exercised. If, at any time any of the Director Options are exercised and the Shares are

trading on ASX at a price that is higher than the exercise price of the Director Options, there may be a perceived cost to the Company.

- (j) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out in Section 6.2(i) above;
- (k) the primary purpose of the grant of Director Options to Mr Kraemer is to provide a market linked incentive package in his capacity as Managing Director and for the future performance by him in that role. The Board (other than Mr Kraemer) considered the extensive experience and reputation of Mr Kraemer within the resources industry, the current market price of Shares and current market practices when determining the number and exercise price of the Director Options to be issued to Mr Kraemer. In addition, the Board considers the grant of the Director Options to Mr Kraemer to be reasonable, given the necessity to attract the highest calibre of professionals to the Company whilst maintaining the Company's cash reserves. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Director Options upon the terms proposed; and
- (l) Mr Kraemer declines to make a recommendation to Shareholders in relation to Resolution 9 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 9, recommend that Shareholders vote in favour of Resolution 9. The Board (other than Mr Kraemer) 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 the Resolution.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Options to Mr Kraemer as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Director Options to Mr Kraemer will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

8. ENQUIRIES

Shareholders are requested to contact the Company Secretary on (+61 3) 9602 4133 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

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.

Company means Mantle Mining Corporation Limited (ABN 70 107 180 441).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director Option means an Option granted pursuant to Resolution 10 with the terms and conditions set out in Schedule 2.

Directors means the current directors of the Company.

EDT means Australia Eastern Daylight Time as observed in Sydney, New South Wales.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Option means an option to acquire a Share with the terms and conditions set out in Schedule 1.

Optionholder means a holder of an Option or Director Option as the context requires.

Proxy Form means the proxy form accompanying the Notice.

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

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

Shareholder means a holder of a Share.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire on the earlier of 5.00pm (WST) on 31 December 2011 or 30 days after the consultant/employee ceases to be engaged by the Company (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be the higher of:
 - (i) 10 cents; or
 - (ii) that price which is twice the value of the closing price of the Company's Shares on the last trading day on ASX prior to the date of the Annual General Meeting,
(Exercise Price).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;
(Exercise Notice).
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) The Options are not transferable.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (j) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to

Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

- (m) 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.

SCHEDULE 2 – TERMS AND CONDITIONS OF DIRECTOR OPTIONS

The Director Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Director Option gives the Optionholder the right to subscribe for one Share.
- (b) The expiry date of the earlier of 30 days after Ian Kraemer ceases to be engaged by the Company or:
 - (i) Tranche 1 Director Options is 5.00pm (WST) on 31 December 2011; and
 - (ii) Tranche 2 Director Options is 5.00pm (WST) on 31 December 2012,(together, the **Expiry Date**).

Any Director Option not exercised before the Expiry Date will automatically lapse on the relevant Expiry Date.

- (c) The amount payable upon exercise of each:
 - (i) Tranche 1 Director Option will be higher of:
 - (A) 10 cents; or
 - (B) that price which is twice the value of the closing price of the Company's Shares on the last trading day on ASX prior to the date of the Annual General Meeting; and
 - (ii) Tranche 2 Director Option will be 20 cents,(together, the **Exercise Price**).
- (d) The Director Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Director Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Director Options specifying the number of Director Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Director Options being exercised;

(Exercise Notice).

- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Exercise Notice.
- (h) The Director Options are not transferable.

- (i) All Shares allotted upon the exercise of Director Options will upon allotment rank pari passu in all respects with other Shares.
- (j) The Company will not apply for quotation of the Director Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Director Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Director Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Director Options prior to the date for determining entitlements to participate in any such issue.
- (m) A Director Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Director Option can be exercised.

SCHEDULE 3 – VALUATION OF DIRECTOR OPTIONS

The Director Options to be issued to Mr Ian Kraemer pursuant to Resolution 10 have been independently valued

Using the theoretical binomial option model and based on the assumptions set out below, the Director Options were ascribed a value range, as follows:

Assumptions:	
Valuation date	30 September 2010
Market price of Shares	4.5 cents
Exercise price – Tranche 1 Director Options	See Schedule 2
Exercise price – Tranche 2 Director Options	20 cents
Expiry date – Tranche 1 Director Options	31 December 2011
Expiry date – Tranche 2 Director Options	31 December 2012
Risk free interest rate	4.85%
Volatility	130%
Indicative value per Tranche 1 Director Option	1.38 cents
Indicative value per Tranche 2 Director Option	1.56 cents
Total Value of Director Options	\$45,000

Note: The valuation ranges noted above are not necessarily the market prices that the Director Options could be traded at and they are not automatically the market prices for taxation purposes.

PROXY FORM

**APPOINTMENT OF PROXY
MANTLE MINING CORPORATION LIMITED
ABN 70 107 180 441**

ANNUAL GENERAL MEETING

I/We
of

being a member of Mantle Mining Corporation Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint
Name of proxy

OR the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at 11.30am (EDT) on 18 November 2010 at the offices of RSM Bird Cameron, Level 12, 60 Castlereagh Street, Sydney and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

If the Chair of the Annual General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of **Resolutions 3 to 10** please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 3 to 10 and that votes cast by the Chair of the Annual General Meeting for Resolutions 3 to 10 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolutions 3 to 10 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 3 to 10.

OR

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Peter Anderton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Ratification of Prior Issue of Shares to Azalea Consulting Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Placement – Options to Consultant/Employee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Issue of Shares to Martin Blakeman (Other Outstanding Director's Fees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Issue of Shares to Martin Blakeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Issue of Shares to Stephen de Belle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Issue of Shares to Peter Anderton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Issue of Shares to Ian Kramer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 – Issue of Director Options – Ian Kraemer	<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 to be counted in computing the required majority on a poll.

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

Signature of Member(s): _____ **Date:** _____

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

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

MANTLE MINING CORPORATION LIMITED
ABN 70 107 180 441

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Mantle Mining Corporation Limited , GPO Box 2986, Melbourne, Victoria 3001; or
 - (b) facsimile to the Company on facsimile number (+61 3) 9670 6643; or
 - (c) email to the Company at winton@azc.com.au,

so that it is received not later than 11.30am (EDT) on 16 November 2010.

Proxy forms received later than this time will be invalid.