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**MANTLE MINING CORPORATION LIMITED**

**ABN 70 107 180 441**

**NOTICE OF GENERAL MEETING**

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**TIME:** 1.30 pm (WST)

**DATE:** 19 May 2008

**PLACE:** The Celtic Club  
48 Ord Street  
West Perth, Western Australia

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

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9481 8287.*

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**TIME AND PLACE OF MEETING AND HOW TO VOTE**

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**VENUE**

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The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 1.30 pm (WST) on 19 May 2008 at:

The Celtic Club  
48 Ord Street  
West Perth, Western Australia

**YOUR VOTE IS IMPORTANT**

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

**VOTING IN PERSON**

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

**VOTING BY PROXY**

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

- (a) post to Mantle Mining Corporation Limited, PO Box 3144, Broadway, Nedlands, Western Australia 6009; or
- (b) facsimile to the Company on facsimile number (+61 8) 9322 8248,

so that it is received not later than 1.30 pm (WST) on 17 May 2008.

**Proxy Forms received later than this time will be invalid.**

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## NOTICE OF GENERAL MEETING

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Notice is given that the General Meeting of Shareholders will be held at 1.30 pm (WST) on 19 May 2008 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 5.00 pm (WST) on 17 May 2008.

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

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## AGENDA

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### 1. RESOLUTION 1 – PLACEMENT OF SHARES AND OPTIONS

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 up to 7,027,774 Shares at an issue price of \$0.175 per Share and 7,027,774 free attaching 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.

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### 2. RESOLUTION 2 – ISSUE OF OPTIONS TO CYGNET CAPITAL PTY LTD

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

*“That, subject to the passing of Resolution 1, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 1,229,860 Options to Cygnet Capital Pty Ltd 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.

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### 3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

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 7,085,714 Shares and 7,085,714 free attaching 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 a person who participated in the issue and any of their associates.

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4. **RESOLUTION 4 – ISSUE OF OPTIONS TO CYGNET CAPITAL 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 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 1,240,000 Options to Cygnet Capital Pty Ltd 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.

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5. **RESOLUTION 5 – ISSUE OF DIRECTOR OPTIONS 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 300,000 Director Options 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.

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6. **RESOLUTION 6 – 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 2,000,000 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.

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DATED: 10 APRIL 2008

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'W. Willesee', is positioned above the printed name of the Company Secretary.

**WINTON WILLESEE**  
**COMPANY SECRETARY**

**Voting Exclusion Note:**

Where a voting exclusion applies, 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.

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 1.30 pm (WST) on 19 May 2008 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

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.

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### 1. RESOLUTION 1 – PLACEMENT OF SHARES AND OPTIONS

#### 1.1 Background

As announced on 5 December 2007, the Company entered an agreement with Cygnet Capital Pty Ltd (**Cygnet**) pursuant to which Cygnet agreed to fully underwrite the Company's recent non-renounceable rights issue (**Offer**) (**Underwriting Agreement**).

As announced on 10 March 2008, Cygnet elected to exercise its right to terminate the Underwriting Agreement following the occurrence of a termination event under the agreement (**Termination**). The Company also advised that it had subsequently entered into an agreement with Cygnet (**Mandate Agreement**) pursuant to which Cygnet agreed to work with the Company on a best endeavours basis to raise approximately \$1,230,000 through the placement of up to 7,027,774 Shares with up to 7,027,774 free attaching Options.

#### 1.2 General

Resolution 1 seeks Shareholder approval for the allotment and issue of up to 7,027,774 Shares at an issue price of \$0.175 per Share (and up to 7,027,774 free attaching Options) (**Placement**).

None of the subscribers pursuant to the Placement will be related parties of the Company.

#### 1.3 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that the prior approval of the shareholders of a company is required for an issue of equity securities if the securities will, when aggregated with the securities issued by the company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

One circumstance where an issue is not taken into account in the calculation of the 15% threshold is where the issue has the prior approval of shareholders in general meeting.

The effect of Resolution 1 will be to allow the Directors to issue the Shares and Options pursuant to the Placement during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

#### 1.4 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 Placement:

- (a) the maximum number of securities to be issued is 7,027,774 Shares together with 7,027,774 free attaching Options;
- (b) the Shares and Options will be issued no later than 3 months after the date of the Annual General 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 Shares will be issued at an issue price of \$0.175 each and the Options will be issued for nil cash consideration;
- (d) the Shares and Options will be offered to investors identified by Cygnet Capital Pty Ltd. No Shares or Options will be issued to any related parties or associates of the Company;
- (e) the Shares issued 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;
- (f) the Options will be issued on the terms set out in Schedule 1 of this Explanatory Statement; and
- (g) the Company intends to use the funds raised from the Placement towards the development of the Mount Mulligan project and for working capital.

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## 2. RESOLUTION 2 – ISSUE OF OPTIONS TO CYGNET CAPITAL PTY LTD

### 2.1 General

In accordance with the terms of the Mandate Agreement (as detailed in section 1.1), if Cygnet places 7,027,774 Shares at an issue price of \$0.175 per Share (together with 7,027,774 free attaching Options) the Company will raise up to \$1,229,860 pursuant to the Placement.

Under the terms of the Mandate Agreement Cygnet is entitled to a commission of:

- (a) 6% of the total funds raised pursuant to the Placement; and
- (b) one (1) Option for every \$1 raised under the Placement (being a maximum of 1,229,860 Options).

Resolution 2 seeks Shareholder approval for the allotment and issue of up to 1,229,860 Options (**Consideration Options**).

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

A summary of ASX Listing Rule 7.1 is set out in Section 1.3 above.

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

### 2.2 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 issue of the Consideration Options:

- (a) the maximum number of Options to be granted is 1,229,860 ;

- (b) the Options will be issued no later than 3 months after the date of the General 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 Cygnet Capital Pty Ltd or its nominee;
- (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 issue of the Consideration Options as the Options are being issued to Cygnet in consideration for services provided in accordance with the Mandate Agreement.

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### 3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

#### 3.1 General

As announced on 20 December 2007, the Company issued 7,085,714 Shares and 7,085,714 free attaching Options pursuant to a placement (**December 2007 Placement**).

The subscribers pursuant to the December 2007 Placement were not related parties of the Company.

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

A summary of ASX Listing Rule 7.1 is set out in Section 1.3 above.

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.

#### 3.2 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 Share and Option Ratification:

- (a) 7,085,714 Shares and 7,085,714 free attaching Options were allotted;
- (b) the issue price was \$0.175 per Share and the Options were issued for nil consideration;
- (c) the Options were issued on the terms and conditions set out in Schedule 1;
- (d) 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;



- (e) the Shares and Options were allotted and issued to clients of Cygnet Capital Pty Ltd. No Shares and Options were issued to any related parties or associates of the Company; and
- (f) the funds raised from the December 2007 Placement were used for working capital purposes.

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#### 4. RESOLUTION 4 – ISSUE OF OPTIONS TO CYGNET CAPITAL PTY LTD

##### 4.1 General

As announced on 5 December 2007, Cygnet assisted the Company in placing 7,085,714 Shares (together with 7,085,714 free attaching Options) pursuant to the December 2007 Placement. As announced on 20 December 2007, the Company raised \$1,240,000 under the December 2007 Placement.

The Company agreed to issue Cygnet one (1) Option for every \$1 raised under the December 2007 Placement (being 1,240,000 Options).

Resolution 4 seeks Shareholder approval for the allotment and issue of 1,240,000 Options in consideration for services provided under the December 2007 Placement (**December 2007 Consideration Options**)

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

A summary of ASX Listing Rule 7.1 is set out in Section 1.3 above.

The effect of Resolution 4 will be to allow the Directors to issue the December 2007 Consideration Options during the period of 3 months after the General Meeting (or a longer period if allowed by ASX), without using the Company's 15% annual placement capacity.

##### 4.2 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 issue of the December 2007 Consideration Options:

- (a) the maximum number of Options to be granted is 1,240,000;
- (b) the Options will be issued no later than 3 months after the date of the General 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 Cygnet Capital Pty Ltd or its nominee;
- (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 issue of the Consideration Options as the Options are being issued to Cygnet in consideration for services provided in relation to the December 2007 Placement.

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## 5. RESOLUTIONS 5 AND 6 – ISSUE OF DIRECTOR OPTIONS

### 5.1 General

The Company has agreed, subject to obtaining Shareholder approval, to allot and issue a total of 2,300,000 Options (**Director Options**) to Messrs Stephen de Belle and Ian Kraemer (**Related Parties**) on the terms and conditions set out below.

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 grant of the Director Options to the Related Parties requires the Company to obtain Shareholder approval because the grant of Director Options constitutes giving a financial benefit and as Directors, Messrs Stephen de Belle and Ian 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 grant of Director Options to the Related Parties.

### 5.2 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 parties are Messrs Stephen de Belle and Ian Kraemer and they are related parties by virtue of being Directors;
- (b) the maximum number of Director Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is:
  - (i) 300,000 Director Options to Stephen de Belle; and
  - (ii) 2,000,000 Director Options to Ian Kraemer;
- (c) the Director Options will be granted to the Related Parties no later than 1 month after the date of the 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 to be issued to Stephen de Belle are set out in Schedule 2;
- (f) the terms and conditions of the Director Options to be issued to Ian Kraemer are set out in Schedule 3;
- (g) the value of the Director Options and the pricing methodology is set out in Schedule 4;
- (h) the relevant interests of the Related Parties in securities of the Company are set out below;

<b>Related Party</b>	<b>Shares</b>	<b>Options</b>
Stephen de Belle	1,173,000	1,283,333 <sup>1</sup>
Ian Kraemer	Nil	Nil

<sup>1</sup> Options exercisable at \$0.25 each on or before 30 April 2009.

- (i) the remuneration and emoluments from the Company to the Related Parties for both the current financial year to the date of the notice and previous financial year are set out below:

<b>Related Party</b>	<b>Current Financial Year</b>	<b>Previous Financial Year</b>
Stephen de Belle	\$46,252	\$69,625
Ian Kraemer	Mr Kraemer is entitled to a salary package of \$297,500 per annum excluding the options proposed to be issued. Mr Kraemer commenced with the Company on 4 February 2008	nil

- (j) if the Director Options granted to the Related Parties are exercised, a total of 2,300,000 Shares would be allotted and issued. This will increase the number of Shares on issue from 54,685,716 to 56,985,716 (assuming that no other Options are exercised and no other Shares issued) with the effect that the shareholding of existing Shareholders would be diluted as follows:

<b>Issued Shares as at the date of this Notice of Meeting</b>	<b>Director Options to be issued</b>	<b>Issued Shares upon exercise of all Director Options</b>	<b>Dilutionary effect upon exercise of Director Options</b>
54,685,716	2,300,000	56,985,716	4.04%

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

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

	Price	Date
Highest	29 cents	18 April 2007
Lowest	7.6 cents	4 April 2008
Last	10 cents	9 April 2008

the primary purpose of the grant of Director Options to the Related Parties is to provide cost effective consideration to the Related Parties for their ongoing commitment and contribution to the Company in their respective roles as Directors. 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;

- (l) the Board acknowledges the grant of Director Options to Stephen de Belle is contrary to Recommendation 8.2 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the grant of Director Options to Stephen de Belle reasonable in the circumstances, given the necessity to attract the highest calibre of professionals to the Company, whilst maintaining the Company's cash reserves;
- (m) Stephen de Belle declines to make a recommendation to Shareholders in relation to Resolution 5 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 5, recommend that Shareholders vote in favour of Resolution 5. The Board (other than Stephen 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; and
- (n) Ian Kraemer declines to make a recommendation to Shareholders in relation to Resolution 6 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 6, recommend that Shareholders vote in favour of Resolution 6. The Board (other than Ian 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 the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Director 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.

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## 6. ENQUIRIES

Shareholders are required to contact Winton Willesee on (+ 61 8) 9481 8287 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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**\$** means Australian dollars.

**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 Resolutions 5 and 6 with the terms and conditions set out in Schedule 2 and Schedule 3 respectively.

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice of Meeting.

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

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

**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.

**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.

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

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## SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

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The material terms and conditions of the Options currently on issue and the Options offered pursuant to this Prospectus are as follows:

- (a) Each Option entitles the holder to acquire one fully paid ordinary Share in the Company.
- (b) The Options may be exercised at any time on or before 30 April 2009. Each Option may be exercised by forwarding to the Company at its principal office the exercise notice, duly completed together with payment of the sum of \$0.25 per Option exercised. The Options will lapse at 5.00pm WST on 30 April 2009.
- (c) The Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of Options at any time on or before 30 April 2009. This right is subject to any restrictions on the transfer of an Option that may be imposed by the ASX Listing Rules and the Company's Constitution.
- (d) Optionholders shall be permitted to participate in new issues of securities on the prior exercise of options in which case the Optionholders shall be notified of any new issue of securities in accordance with the requirements of the Listing Rules.
- (e) Shares issued on the exercise of Options will be issued not more than 14 days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of an Option will rank equally with the then issued ordinary Shares of the Company in all respects. If the Company is listed on ASX it will, pursuant to the exercise of an Option, apply to ASX for Quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act and the Listing Rules.
- (f) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital at the time of the reconstruction.
- (g) If there is a bonus issue to Shareholders, the number of Shares over which the Option is exercisable may be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
- (h) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced in accordance with Listing Rule 6.22.

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## SCHEDULE 2 – TERMS AND CONDITIONS OF DIRECTOR OPTIONS – STEPHEN DE BELLE

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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. To obtain the right given by each Director Option, the Optionholder must exercise the Director Options in accordance with the terms and conditions of the Director Options.
- (b) The Director Options will expire at 5:00 pm (WST) on 30 June 2011 (**Expiry Date**). Any Director Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Director Option will be \$0.25 (**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) In the event that Stephen de Belle ceases in his role as a Director of the Company, those Director Options not exercised in accordance with these terms and conditions shall automatically lapse within thirty (30) days from the date the Director ceases to be a Director of the Company;
- (f) 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).**

- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (h) 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.
- (i) The Director Options are not transferable.
- (j) All Shares allotted upon the exercise of Director Options will upon allotment rank pari passu in all respects with other Shares.
- (k) 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.
- (l) 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.

- (m) 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.
- (n) 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.



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## SCHEDULE 3 – TERMS AND CONDITIONS OF DIRECTOR OPTIONS – IAN KRAEMER

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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. To obtain the right given by each Director Option, the Optionholder must exercise the Director Options in accordance with the terms and conditions of the Director Options.
- (b) The total number of Director Options to be issued is 2,000,000 Director Options and will vest as follows:
  - (i) 250,000 Director Options (**First Tranche**) immediately;
  - (ii) 250,000 Director Options on 31 December 2008 subject to the Company executing an access agreement for the Mt Mulligan tenements EPC772 and ATP 718P. (**Second Tranche**);
  - (iii) 500,000 Director Options on 30 June 2009 subject to the Company declaring an initial JORC resource at Mt Mulligan (EPC 772 and ATP 718P) (**Third Tranche**);
  - (iv) 500,000 Director Options on 30 December 2009 subject to the Company completing a pre-feasibility study on Mt Mulligan (EPC 772 and ATP 718P)(**Fourth Tranche**);
  - (v) 250,000 Director Options on 30 December 2009 subject to the Company declaring a JORC resource equal to or more than 250,000 oz Au(e) at Haunted Stream (EL3576) or Great Britain (EPM 14388) (**Fifth Tranche**); and
  - (vi) 250,000 Director Options on 30 December 2009 subject to the Company declaring a JORC resource equal to or more than 250,000 oz Au(e) at Granite Castle (EPM 14179) (**Sixth Tranche**).
- (c) The Director Options are exercisable as follows:
  - (i) the First Tranche are exercisable at any time on or prior to 5:00pm (WST) on 4 February 2011; and
  - (ii) the Second Tranche, Third Tranche, Fourth Tranche, Fifth Tranche and Sixth Tranche are exercisable at any time on or prior to 5:00pm (WST) on that date which is 36 months from the date of vesting of the Director Options,  
**(Expiry Date)**.
- (d) Any Director Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (e) The amount payable upon exercise of each Director Option will be \$0.25 (**Exercise Price**).
- (f) In the event that Ian Kraemer ceases in his role as a Director of the Company, those Director Options not exercised in accordance with these terms and conditions shall automatically lapse within thirty (30) days from the date the Director ceases to be a Director of the Company.

- (g) 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.
- (h) An Optionholder may exercise their Director Options by lodging with the Company, before the Expiry Date:
  - (iii) a written notice of exercise of Director Options specifying the number of Director Options being exercised; and
  - (iv) a cheque or electronic funds transfer for the Exercise Price for the number of Director Options being exercised;

**(Exercise Notice).**

- (i) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (j) 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.
- (k) The Director Options are not transferable.
- (l) All Shares allotted upon the exercise of Director Options will upon allotment rank pari passu in all respects with other Shares.
- (m) 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.
- (n) 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.
- (o) 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.
- (p) 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 4 – VALUATION OF DIRECTOR OPTIONS

The Director Options to be issued to the Related Parties pursuant to Resolutions 5 and 6 have been independently valued using the theoretical binomial option pricing model and based on the assumptions set out below, the Director Options were ascribed a value range, as follows:

<b>Assumptions:</b>	
Valuation date	3 April 2008
Market price of Shares	10 cents
Exercise price	25 cents
Expiry date	Various – see Schedule 3
Risk free interest rate	Kraemer – First Tranche – 6.14% All Others - 6.03%
Volatility	77%
<b>Indicative value per Director Option</b>	<u>Ian Kraemer:</u> First Tranche – 2.79 cents Second Tranche – 3.47 cents Third Tranche – 3.79 cents Fourth Tranche – 4.15 cents Fifth Tranche – 4.15 cents Sixth Tranche – 4.15 cents  <u>Stephen de Belle:</u> 3.10 cents
<b>Total Value of Director Options</b>	\$85,400
- Stephen de Belle	\$9,300
- Ian Kraemer	\$76,100

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

### GENERAL MEETING

I/We

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

Appoint

Name of proxy

OR

Mark this box if you wish to appoint the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at 1.30 pm (WST), on 19 May 2008 at The Celtic Club, 48 Ord Street, West Perth, Western Australia, and at any adjournment thereof.

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

#### Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Placement of Shares and Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Issue of Options to Cygnet Capital Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Ratification of prior issue of Shares and Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Issue of Options to Cygnet Capital Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Issue of Director Options to Stephen de Belle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Issue of Director Options to Ian Kraemer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

OR

If the Chair of the 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 1 to 6 please place a mark in this box.

By marking this box, you acknowledge that the Chair of the General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 to 6 and that votes cast by the Chair of the General Meeting for Resolutions 1 to 6 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 1 to 6 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 to 6.

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

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2008 \_\_\_\_\_ %

By:

#### Individuals and joint holders

Signature
Signature
Signature

#### Companies (affix common seal if appropriate)

Director
Director/Company Secretary
Sole Director and Sole Company Secretary

**MANTLE MINING CORPORATION LIMITED**  
**ABN 70 107 180 441**

**Instructions for Completing 'Appointment of Proxy' Form**

1. A member entitled to attend and vote at an 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. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.
3. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.
4. Corporate members should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
  - 2 directors of the company;
  - a director and a company secretary of the company; or
  - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

5. Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
6. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Mantle Mining Corporation Limited, PO Box 3144, Broadway, Nedlands, Western Australia 6009; or
  - (b) facsimile to the Company on facsimile number +61 8 9322 8248,

so that it is received not later than 1.30 pm (WST) on 17 May 2008.

**Proxy forms received later than this time will be invalid.**