



Bounty Mining Limited
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ABN 19 107 411 067

NOTICE OF GENERAL MEETING and EXPLANATORY STATEMENT

Date: Thursday 02 April 2015
Time: 11am (Sydney time)
Place: Bounty Mining Limited Corporate Office
Suite 1002, Level 10, 60 Pitt Street, Sydney NSW 2000



BOUNTY MINING LIMITED: NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of the Shareholders of Bounty Mining Limited will be convened at **11 am** on Thursday, **02 April 2015**, at the offices of Bounty Mining Limited at **Suite 1002, Level 10, 60 Pitt Street, Sydney, NSW 2000**.

If you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy Form. The completed Proxy Form must be received by the Company at least **48 hours** before the commencement of the meeting.

It is the Chairman's intention to vote undirected proxies in favour of all resolutions.

We encourage shareholders to direct their proxies by marking the "For", "Against" or "Abstain" boxes on the attached proxy form as appropriate.

Please note that voting exclusions apply to each Resolution. These exclusions are described in detail in the Explanatory Memorandum.

Ordinary Business

To consider, and if thought fit, to pass, with or without modification, the following resolutions:

RESOLUTION 1 – Subsequent Approval of Shares issued under Listing Rule 7.1

"That the issue of 32,500,000 Shares issued between November 2014 and February 2015 to investors named in the Explanatory Memorandum is approved as a subsequent approval for the purposes of Listing Rule 7.4".

RESOLUTION 2 – Subsequent Approval of Convertible Notes issued under Listing Rule 7.1

"That the issue of 3,846,500 Convertible Notes on 15 August 2014 to a holder named in the Explanatory Memorandum is approved as a subsequent approval for the purposes of Listing Rule 7.4".

Subsequent Shareholder approval for Resolutions 1 and 2 will refresh the percentage of the Company's Shares that can be issued without Shareholder approval under Listing Rule 7.1.

RESOLUTION 3 – Approval of issue of Shares under Listing Rule 7.1

"That the issue of 2,000,000 Shares to staff members for no consideration is approved for the purposes of Listing Rule 7.1."



BOUNTY MINING LIMITED: NOTICE OF GENERAL MEETING

Other Information

An Explanatory Statement accompanies and forms part of this Notice of Meeting. All Shareholders should read the Explanatory Statement carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Meeting should consult their financial or legal adviser for assistance.

Defined terms in this Notice of Meeting have the meaning given to them in the Explanatory Statement and Glossary.

Entitlement to Vote

In accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the Meeting all shares in the capital of the Company will be taken to be held by the persons who held them as registered holders at 11am on 31 March 2015. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Dated this 24th day of February 2015

BY ORDER OF THE BOARD

A handwritten signature in blue ink that reads "Eryl Baron".

Eryl Baron

COMPANY SECRETARY



BOUNTY MINING LIMITED: NOTICE OF GENERAL MEETING

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the General Meeting of the Company. Amongst other things, this Explanatory Statement provides Shareholders with the information required to be provided to Shareholders by the Corporations Act 2001 and the Official Listing Rules of the ASX Limited (**ASX Listing Rules**).

The Explanatory Statement sets out an explanation of each of the resolutions to be put to Shareholders. Please ensure that you read the Explanatory Statement in full.

RESOLUTION 1 – Subsequent Approval of Shares issued under Listing Rule 7.1

- Between November 2014 and February 2015 the Company issued 32,500,000 Shares at 2.0 cents per Share to raise \$650,000 to help fund working capital and the commencement of Phase 2 of the Wongai Coal Project.
- These Shares were issued without a disclosure document under Chapter 6D of the Corporations Act under section 708 exceptions.
- Resolution 1 seeks approval for the issue of these Shares as a subsequent approval for the purposes of Listing Rule 7.4. If the resolution is approved, the issue of those Shares will be treated as having been made with approval for the purposes of Listing Rule 7.1.
- The Shares issued rank pari passu with all other shares on issue.
- The Shares were issued to the following investors:

Sun Pacific Resources Pty Ltd
KNT International
UBS Wealth Management Australia Nominees Pty Ltd
Redland Plains Pty Ltd <Majestic Investment Fund>
Ernst Kirsten Superfund
Australian Contract Management Pty Ltd

Voting Exclusions – Resolution 1

The Company will disregard any votes cast on this resolution by:

- the investors named above; and
- an associate of those investors.

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.



BOUNTY MINING LIMITED: NOTICE OF GENERAL MEETING

RESOLUTION 2 – Subsequent Approval of Convertible Notes issued under Listing Rule 7.1

- In August 2014 the Company issued 3,846,500 Convertible Notes (“the Notes”) at 2.6 cents per Convertible Note to raise \$100,009 to help fund working capital and the cost of the Wongai Coal Project.
- The Notes have a conversion price of 2.6c per Note and a maturity date of 14 November 2015. Simple Interest of 15% accrues on the Notes. The full terms of the Notes are set out below.
- The Convertible Notes may be converted into ordinary Shares at any time at the request of the Note-holder. Conversion of the Notes will result in the issue of up to 4,616,764 ordinary Shares.
- Resolution 2 seeks approval of the issue of 3,846,500 Convertible Notes as a subsequent approval for the purposes of Listing Rule 7.4. If the resolution is approved, the issue of those Convertible Notes will be treated as having been made with approval for the purposes of Listing Rule 7.1.
- Under Listing Rule 7.2 exemption 4, approval is not required for an issue of Shares on the conversion of the Convertible Notes as the Company complied with the Listing Rules when it issued the Convertible Notes
- Shares issued on conversion of the Notes will rank pari passu with all other Shares on issue.
- The Notes were issued to the following Noteholder:

Irrawaddy Investments Pty Ltd <Wotrun Pty Ltd S/F a/c>

Voting Exclusions – Resolution 2

The Company will disregard any votes cast on this resolution by:

- the Noteholder named above; and
- an associate of this Noteholder.

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.

Terms of Convertible Notes

The table below summarises the terms of the Convertible Notes that the Company issued in August 2014 to sophisticated and professional investors.

Term	Summary
Issuer	Bounty Mining Limited.
Purpose	To fund ongoing working capital requirements during the Offer period.
Issue price/face value	\$0.026 per Convertible Note.
Maturity Date	15 months after the date of issue.



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Term	Summary
Interest	15% simple interest accrues on the face value of each Convertible Note plus any capitalised interest on a daily basis, with interest capitalised into the value of the Convertible Notes every six months from the date of issue. No coupon payments are payable under the terms of the Convertible Notes as interest is capitalised.
Repayments	The face value of the Convertible Notes, plus any accrued interest, is repayable on the Maturity Date or on the occurrence of an Event of Default (see below).
Security	The Convertible Notes are unsecured debt obligations of Bounty.
Subordination	The Convertible Notes are subordinated to the rights of senior lenders, including VETL Pty Ltd.
Conversion	<p>Holders can elect to convert part or all of the face value of the Convertible Notes plus accrued interest into Shares at a deemed issue price of \$0.026 per Share on or before the Maturity Date, provided that the holder gives Bounty at least 10 days notice. In addition, the conversion notice must be provided at least 10 days before the Maturity Date.</p> <p>Bounty is under no obligation to provide ongoing notices of conversion to Convertible Note holders other than as required under the Listing Rules (if applicable).</p> <p>The Convertible Notes cannot be redeemed in cash prior to the Maturity Date by either the Company or the holder, except in the case of an Event of Default (see below).</p>
ASX quotation	The Convertible Notes will not be quoted on ASX, although Bounty will seek Official Quotation of all Shares issued on conversion of the Convertible Notes.
Shareholder approval	Bounty is required to seek any Shareholder approvals required for the issue of Shares on conversion of the Convertible Notes.
Events of Default	<p>It is an Event of Default if one of the following events occurs and is not remedied within 20 business days of the Company becoming notified in writing by the Convertible Note holder of the occurrence of the event:</p> <ul style="list-style-type: none"> ▪ the Company does not pay any amount payable under the terms of the Convertible Notes when it is due; ▪ an application or order is made for the winding up of the Company or a subsidiary or for the appointment of a liquidator; ▪ the Company or a subsidiary passes a resolution for its winding up; ▪ a receiver, controller (within the meaning of section 9 of the Corporations Act) or analogous person is appointed to take possession of all, or any part of the assets of the Company or a subsidiary; ▪ the Company or a subsidiary becomes an externally-administered body corporate within the meaning of the Corporations Act, becomes subject to administration under part 5.3A of chapter 5 of the Corporations Act or is, or states that it is, or is deemed by applicable law to be, unable to pay its debts as and when they fall due; ▪ the Company ceases to carry on business generally and no other body corporate assumes the business; ▪ there is a Change of Control of the Company without the Convertible Note holder's prior written consent and that Change of Control has a materially adverse effect on the Company or its ability to discharge its obligations under the terms of the Convertible Notes. A 'Change of Control' means an event where: <ul style="list-style-type: none"> - a person who Controls the Company at the date the Convertible Notes are issued subsequently stops having Control; or - a person who did not (directly or indirectly) effectively Control the Company at date the Convertible Notes are issued, either alone or together with others, acquires effective Control of the Company. <p>'Control' of a company by a person means:</p> <ul style="list-style-type: none"> - the person determines the composition of the board of directors of the company or has the capacity to do so; - the board of directors of the company is accustomed to act in accordance with the instructions, directions or wishes of the person; or - the person holds or owns (alone or with its associates or related bodies corporate)



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Term	Summary
	<p>the majority of the issued shares of the company, the majority of the issued shares of the ultimate holding company of the company or the majority of any securities or other rights granted by the company entitling holders to distributions based on the profits, earnings or net liquidation proceeds of the company; or</p> <ul style="list-style-type: none"> the Company does not perform or observe any material obligation (other than an obligation to pay an amount payable under the terms of the Convertible Notes or an obligation that is described above as an Event of Default) on its part contained in the terms of the Convertible Notes. <p>If an Event of Default occurs a Convertible Note holder may by written notice to the Company require the Convertible Notes held by that person to be immediately repaid, and the Company must immediately repay the Convertible Notes plus the interest accrued on the Convertible Notes.</p>

RESOLUTION 3 – Approval of issue of Shares under Listing Rule 7.1

The small number of remaining staff at Bounty have accepted reduced hours and reduced pay since the Company’s mining contract ended in 2013, while Bounty continues to raise capital to fund the Wongai Coal Project. The Board of Bounty recommends the issue of Bounty Shares to these staff members in recognition of their contribution to the Company. The Board proposes:

- The issue of a maximum of 2,000,000 Shares at 2 cents per Share for no consideration as follows;

Eryl Baron	1,000,000 shares
Tony Comin	500,000 shares
Lydia Han	500,000 shares

- The Shares are expected to be issued on 01 July 2015 and in any case will be issued no later than 3 months after the Meeting;
- The Shares issued will rank pari passu with all other Shares on issue.

Voting Exclusions – Resolution 3

The Company will disregard any votes cast on this resolution by:

- the persons named above; and
- an associate of these 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.



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GLOSSARY

A number of terms are used throughout this Notice of Meeting and Explanatory Memorandum. Except to the extent the context otherwise requires:

Term	Definition
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Board	means the board of Directors of the Company.
Chairman	means the chairman of the Company, Mr Gary Cochrane.
Company or Bounty	means Bounty Mining Ltd ACN 107 411 067.
Corporations Act	means <i>Corporations Act 2001</i> (Cth)
Directors	means the directors of the Company.
Constitution	means the constitution of the Company.
Convertible Notes	means the convertible notes issued by the Company, the terms of which are summarised on pages 5 – 7 of the explanatory memorandum.
Explanatory Memorandum	means the explanatory memorandum accompanying the Notice.
General Meeting or Meeting	means the general meeting convened by this Notice.
Listing Rules	means the listing rules of ASX.
Notice or Notice of Meeting	means this notice of general meeting.
Shareholders	means shareholders of the Company.
Shares	mean fully paid ordinary shares in the Company.
VETL Pty Ltd	means VETL Pty Ltd ACN 688 539 818, a company associated with Chairman Gary Cochrane.



BOUNTY MINING LIMITED: NOTICE OF GENERAL MEETING

HOW TO COMPLETE THE PROXY FORM

Under the Company's Constitution and the Corporations Act 2001, any person registered in the Register of Shareholders as a holder of one or more shares **48 hours prior** to the time of commencement of the Meeting is entitled to attend and vote at the Meeting.

Shareholders are entitled to appoint up to two individuals to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights.

The Proxy Form and the Power of Attorney (if any) or the instrument appointing the proxy and power of attorney (if any) under which it is signed (or an office copy or notarially certified copy thereof) must be deposited at the Registered Office of the Company, **Suite 1002, Level 10, 60 Pitt Street, Sydney, NSW 2000** at least **48 hours prior** to the time of holding of the Meeting (and at any adjournment thereof), at which the individual named in the Proxy Form proposes to vote.

A proxy must be signed by the shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, under its common seal or under the hand of an authorised officer or attorney.

A person authorised (pursuant to the provisions of the Corporations Act 2001) by a corporation which is a shareholder of the Company to act as its representative at the Meeting is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual shareholder of the Company.

A legible facsimile transmission copy of the instrument and the power of attorney or other authority is acceptable. The facsimile number to which a Proxy Form may be sent is **02 8965 0214**. Proxy forms may be sent to the Company Secretary by email at eryl.baron@bounty.com.au. Proxy forms must be received by the Company by **11am on Tuesday 31 March April 2015** in order to be valid. The proxy may be, but need not be, a shareholder of the Company.

Corporate Representation

A company may only vote by proxy, power of attorney or by appointment of a corporate representative. The instrument appointing a proxy is not valid unless the original instrument and the power of attorney or other authority (if any) under which the instrument is signed (duly stamped where necessary) or a copy or facsimile which appears on its face to be an authentic copy of that proxy, or power of attorney is submitted to the Registered Office within the time set out herein. A company must sign a proxy under common seal in accordance with its Constitution or under power of attorney, which must be produced, with the Proxy Form.

If the shares are registered in the name of more than one person, all such holders must sign the Proxy Form.

To be valid a Proxy Form the Power of Attorney under which it is signed or proof thereof must be to the satisfaction of the Directors.



BOUNTY MINING LIMITED: NOTICE OF GENERAL MEETING

PROXY FORM

**The Secretary,
Bounty Mining Limited
PO Box H305
Aust Square NSW 1215
Fax: 02 8965 0214**

Name of Shareholder
Address of Shareholder
HIN / SRN

I/We being a member(s) of Bounty Mining Limited and entitled to attend and vote hereby appoint

<input type="checkbox"/>	the Chairman of the meeting (mark with an 'X')	OR	<input style="width: 100%; height: 100%;" type="checkbox"/>	Please note: Leave this box blank if you have selected the Chairman of the Meeting.
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or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the at the General Meeting of the Company to be held on Thursday **02 April 2015 at 11am at the Bounty Offices at Suite 1002, Level 10, 60 Pitt Street, Sydney NSW 2000** (and at any adjournment thereof).

If you wish to direct your proxy how to vote with respect to the proposed resolutions, please indicate the manner in which your proxy is to vote by placing a "X" in the appropriate resolutions box below, otherwise your proxy will vote or abstain from voting as he/she thinks fit.

If the Chairman of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote, please place a mark in the box:

It is the Chairman's intention to vote undirected proxies in favour of all resolutions. By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolutions and that votes cast by him other than as proxy holder will be disregarded of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on the resolutions and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

Resolutions	For	Against	Abstain
1 Subsequent approval of issues of Shares			
2 Subsequent approval of issues of Convertible Notes			
3 Approval of issue of Shares			

Appointing a second Proxy:

I/We wish to appoint a second proxy

<input style="width: 100%; height: 100%;" type="checkbox"/>	Mark with an 'X' if you wish to appoint a second proxy	AND	<input style="width: 100%; height: 100%;" type="text" value=" "/>	OR	<input style="width: 100%; height: 100%;" type="text" value=" "/>	State the percentage of your voting rights or the number of securities for this Proxy Form
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PLEASE SIGN HERE: This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Individual / Sole Director and Sole Company Secretary	Director	Director / Company Secretary