



Bounty Mining Limited

ABN 19 107 411 067

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NOTICE OF GENERAL MEETING and EXPLANATORY STATEMENT

Date: Wednesday 25 January 2017

Time: 11am (AEDT)

Place: The office of Bounty Mining Limited

Suite 301, Level 3, 66 Hunter Street, Sydney NSW 2000



BOUNTY MINING LIMITED: NOTICE OF GENERAL MEETING

Notice is hereby given a General Meeting of the Shareholders of Bounty Mining Limited will be convened at **11 am** on **Wednesday, 25 January 2017**, at Bounty's office at Suite 301, Level 3, 66 Hunter Street Sydney NSW 2000.

The sole purpose of the Meeting is to consider a resolution to consolidate the Company's Shares.

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

No voting exclusions apply to this resolution.

Ordinary Business

To consider, and if thought fit, to pass the following resolution:

Consolidation of Shares

'That for the purposes of Section 254H of the Corporations Act and for all other purposes approval is given for the issued capital of the Company to be consolidated on the basis that every 13 Shares be consolidated into 1 Share, and where this consolidation results in a fraction of a Share being held by a Securityholder, the Directors be authorised to round that fraction up to the nearest whole Share.'

An Explanatory Statement accompanies and forms part of this Notice of Meeting. We encourage all Shareholders to 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.

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 23 January 2017. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Dated this 12th day of December 2016

BY ORDER OF THE BOARD

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. Please ensure that you read the Explanatory Statement in full.

RESOLUTION – Consolidation of Shares

1. The proposal

- The Company proposes to consolidate its share capital through the conversion of every thirteen (13) ordinary shares in the Company into one ordinary share in the Company. Under section 254H of the Corporations Act, a company may consolidate its shares if the consolidation is approved by an ordinary resolution of shareholders at a general meeting.
- If the consolidation is approved the consolidation will take effect from 30 January 2017 and new holding statements will be mailed by the registry on 1 February 2017.
- Where the consolidation of a shareholder's holding results in an entitlement to a fraction of a share, the fraction will be rounded up to the nearest whole number of shares.
- Any shareholders currently holding less than 13 shares will receive 1 share.

2. Reasons for the consolidation

Bounty Mining has a very large number of shares on issue (over 1.2 billion) due to historical equity-based capital raisings and corporate transactions. The number of shares is disproportionate to the Company's peers, so the Company proposes to reduce this number by way of this share consolidation.

3. Effect of the consolidation

- If the proposed share consolidation is approved by shareholders, the number of Bounty shares on issue will be reduced from approximately 1.2 billion to approximately 93.4 million. As the consolidation applies equally to all of the Company's shareholders, individual shareholdings will be reduced in the same ratio as the total number of the Company's shares (subject only to the rounding of fractions). It follows that the consolidation will have no material effect on the percentage interest of each individual shareholder in the Company.
- As an example if a shareholder currently has 1,300,000 shares representing approximately 0.11% of the Company's issued capital, then if the share consolidation is approved and implemented, the shareholder will have 100,000 shares following the consolidation, still representing the same 0.11% percent of the Company's issued capital.
- Similarly, the aggregate value of each shareholder's holding (and Bounty's market capitalisation) should not materially change – other than minor changes as a result of rounding – as a result of the share consolidation alone.
- However, the price per share can be expected to increase to reflect the reduced number of shares on issue. Shareholders should therefore note that the reduction of share capital, if approved, will also have an effect on the Company's share price.



BOUNTY MINING LIMITED: NOTICE OF GENERAL MEETING

4. Tax implications

- Particular taxation implications will depend upon the circumstances of each shareholder. Accordingly, shareholders are encouraged to seek and rely only on their own professional advice in relation to their tax position. Neither the Company nor any of its officers, employees or advisors assumes any liability or responsibility for advising shareholders about the tax consequences for them from the proposed share consolidation. The share consolidation will be undertaken in accordance with section 254H of the Corporations Act. Subject only to rounding, there will be no change to the proportionate interests held by each shareholder in the Company as a result of the consolidation.
- The share consolidation will occur through the conversion of every thirteen (13) ordinary shares in the Company into one ordinary share in the Company. No capital gains tax (CGT) event will occur as a result of the Company share consolidation and therefore there will be no taxation implications arising for the Company's shareholders.

Voting Exclusion Statement

There are no voting exclusions in relation to this Resolution.



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 301, Level 3, 66 Hunter 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. Proxy forms may be sent to the Company Secretary by email at Secretary@bounty.com.au or by facsimile to **(+612) 8188 0626**. Proxy forms must be received by the Company by **11am on Monday 23 January 2017** 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

(Please write your name and address for identification)

The Secretary

Bounty Mining Limited

Suite 301 Level 3

66 Hunter St Sydney 2000

secretary@bounty.com.au

Name of Shareholder

Address of Shareholder

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 type="checkbox"/>
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Please note: Leave this box blank if you have selected the Chairman of the Meeting.

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 **Wednesday 25 January 2017 at 11am at Bounty's office at Suite 301, Level 3, 66 Hunter Street, Sydney NSW 2000** (and at any adjournment thereof).

If you wish to direct your proxy how to vote with respect to the proposed resolution, please indicate the manner in which your proxy is to vote by placing a "X" in the appropriate resolution 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 the resolution. By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution 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 resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

Resolution	For	Against	Abstain
Share Consolidation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Appointing a second Proxy:

I/We wish to appoint a second proxy

<input type="checkbox"/>	Mark with an 'X' if you wish to appoint a second proxy	AND	<input type="text" value=""/>	OR	<input type="text" value=""/>
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State the percentage of your voting rights or the number of securities for this Proxy Form

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