

**TANGA RESOURCES LIMITED**  
**ACN 141 940 230**

**NOTICE OF GENERAL MEETING**  
**EXPLANATORY MEMORANDUM**  
**AND**  
**PROXY FORM**

**Date of Meeting**  
27 September 2017

**Time of Meeting**  
10:00 am

**Place of Meeting**  
63 Hay Street  
Subiaco WA 6008

**TANGA RESOURCES LIMITED**  
**ACN 141 940 230**  
**NOTICE OF GENERAL MEETING**

Notice is hereby given that a General Meeting of Shareholders of Tanga Resources Limited (**Company**) will be held at 63 Hay Street, Subiaco WA 6008 Australia on 27 September 2017 at 10:00am for the purpose of transacting the following business.

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

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the glossary contained in the Explanatory Memorandum.

**1. RESOLUTION 1 - RATIFICATION OF ISSUE OF SHARES - 1**

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

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 3,787,879 Shares to the parties, for the purposes and on the terms set out in the Explanatory Memorandum."*

**2. RESOLUTION 2 - RATIFICATION OF ISSUE OF SHARES - 2**

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

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 22,969,897 Shares to the parties, for the purposes and on the terms set out in the Explanatory Memorandum."*

**3. RESOLUTION 3 - RATIFICATION OF ISSUE OF SHARES - 3**

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

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 10,000,000 Shares to the parties, for the purposes and on the terms set out in the Explanatory Memorandum."*

**4. RESOLUTION 4 - RATIFICATION OF ISSUE OF SHARES - 4**

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

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 40,400,000 Shares to the parties, for the purposes and on the terms set out in the Explanatory Memorandum."*

**5. RESOLUTION 5 - RATIFICATION OF ISSUE OF SECURITIES - 5**

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

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 20,000,000 Securities to the parties, for the purposes and on the terms set out in the Explanatory Memorandum."*

<p><b>Voting Exclusion Statement:</b> For the purposes of Listing Rule 7.5, the Company will disregard any votes cast on Resolutions 1 – 5 by any person who participated in their issue and any of their Associates, unless it is cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the Proxy Form) or 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).</p>
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**Voting Prohibition:** The Company will, in accordance with the Corporations Act, disregard any votes cast on Resolution 5 by a member of the Key Management Personnel or a Closely Related Party of such a member. However, the Company will not disregard a vote if it is cast by such a person if:

- (a) the person is acting as proxy and the Proxy Form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy, which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel.

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A Proxy Form is attached.

To be valid, properly completed Proxy Forms must be received by the Company no later than 10:00am (WST) 25 September 2017 at:

**Security Transfer Registrars Pty Ltd**

**Online**                      [www.securitytransfer.com.au](http://www.securitytransfer.com.au)

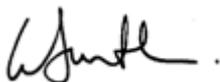
**Postal Address**            PO BOX 52  
Collins Street West VIC 8007

**Street Address**            Suite 913, Exchange Tower  
530 Little Collins Street  
Melbourne VIC 3000

**Telephone**                1300 992 916

**Facsimile**                 +61 8 9315 2233

**Email**                      registrar@securitytransfer.com.au



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Graeme Smith  
Company Secretary  
Date: 29 August 2017

## **PROXIES**

A Shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights.

A proxy may, but need not be, a Shareholder of the Company.

The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, either under seal or under hand of an officer duly authorised.

The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and reach the registered office of the Company at least 48 hours prior to the meeting. For the convenience of Shareholders a Proxy Form is enclosed.

## **ENTITLEMENT TO VOTE**

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 4:00pm WST time on 25 September 2017 be entitled to attend and vote at the General Meeting.

## **CORPORATIONS**

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company before the meeting.

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the Shareholders of Tanga Resources Limited ACN 141 940 230 (**Company**) in connection with the business to be conducted at the General Meeting of the Company to be held at 63 Hay Street on 27 September 2017 commencing at 10:00am.

This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum will, unless the context otherwise requires, have the same meaning given to them in the glossary as contained in this Explanatory Memorandum.

At the General Meeting, Shareholders will be asked to consider the following Resolutions:

- ratifying the issue of Securities under Listing Rule 7.4.

### 1. RESOLUTION 1 – RATIFY PREVIOUS ISSUE OF SHARES - 1

#### 1.1 General

On 22 December 2016, the Company issued 3,787,879 Shares at a deemed issue price of \$0.066 per Share under its 15% placement capacity under Listing Rule 7.1.

It now seeks, pursuant to Resolution 1 of the Notice, to ratify the allotment and issue of those Shares.

ASX Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The purpose and effect of such a ratification is to restore the Company's discretionary power to issue further Securities under its 15% capacity under Listing Rule 7.1 without requiring Shareholder approval.

The Company proposes Resolution 1 to ratify the previous issue of Shares in accordance with ASX Listing Rule 7.4. The Company confirms that the issue and allotment of the Shares, the subject of Resolution 1 did not breach ASX Listing Rule 7.1.

#### 1.2 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 3,787,879 Shares were allotted and issued by the Company on 22 December 2016;
- (b) the deemed issue price per Share was \$0.066;
- (c) the Shares allotted were fully paid ordinary shares which rank equally with all other fully paid ordinary Shares on issue;
- (d) the Shares were issued to Capital Drilling (Mauritius) Limited, which is not a related party of the Company;
- (e) No funds were raised from this issue. The Shares were issued in lieu of exploration drilling carried out by Capital Drilling (Mauritius) Limited on the Company's Tanzanian projects; and
- (f) a voting exclusion statement is included in the Notice.

#### 1.3 Directors' Recommendation

The Directors of the Company believe that Resolution 1 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 1.

### 2. RESOLUTION 2 – RATIFY PREVIOUS ISSUE OF SHARES - 2

#### 2.1 General

On 6 March 2017, the Company issued 22,969,897 Shares under its 15% placement capacity under Listing Rule 7.1.

It now seeks, pursuant to Resolution 2 of the Notice, to ratify the allotment and issue of those Shares.

ASX Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The purpose and effect of such a ratification is to restore the Company's discretionary power to issue further Shares under its 15% capacity under Listing Rule 7.1 without requiring Shareholder approval.

The Company proposes Resolution 2 to ratify a previous issue of Shares in accordance with ASX Listing Rule 7.4. The Company confirms that the issue and allotment of the Shares, the subject of Resolution 2 did not breach ASX Listing Rule 7.1.

## 2.2 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 22,969,817 Shares were allotted and issued by the Company on 6 March 2017;
- (b) 14,285,714 shares were issued at a price of \$0.035 per Share;
- (c) 8,684,183 shares were issued at a deemed price of \$0.035 per Share;
- (d) the Shares allotted were fully paid ordinary shares which rank equally with all other fully paid ordinary Shares on issue;
- (e) 14,285,714 Shares were issued to sophisticated investor clients of Bell Potter Securities Limited, none of which are related parties of the Company;
- (f) 8,684,183 shares were issued to Capital Drilling (Mauritius) Limited, which is not a related party of the Company;
- (g) \$500,000 was raised from the issue of 14,285,714 Shares. The funds raised have been used for exploration expenditure and working capital expenses;
- (h) Drilling services to the value of \$303,946 were provided for the issue of 8,684,183 Shares; and
- (i) a voting exclusion statement is included in the Notice.

## 2.3 Directors' Recommendation

The Directors of the Company believe that Resolution 2 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 2.

## 3. RESOLUTION 3 – RATIFY PREVIOUS ISSUE OF SHARES - 3

### 3.1 General

On 11 April 2017, the Company issued 10,000,000 Shares at an issue price of \$0.035 per Share under its 15% placement capacity under Listing Rule 7.1.

It now seeks, pursuant to Resolution 3 of the Notice, to ratify the allotment and issue of those Shares.

ASX Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The purpose and effect of such a ratification is to restore the Company's discretionary power to issue further Securities under its 15% capacity under Listing Rule 7.1 without requiring Shareholder approval.

The Company proposes Resolution 3 to ratify the previous issue of Shares in accordance with ASX Listing Rule 7.4. The Company confirms that the issue and allotment of the Shares, the subject of Resolution 3 did not breach ASX Listing Rule 7.1.

### 3.2 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 10,000,000 Shares were allotted and issued by the Company on 11 April 2017;
- (b) the issue price per Share was \$0.035;
- (c) the Shares allotted were fully paid ordinary shares which rank equally with all other fully paid ordinary Shares on issue;
- (d) the Shares were issued to Great Golden Investment Limited, which is not a related party of the Company;
- (e) \$350,000 was raised from the issue of these Shares. The funds raised have been used for exploration expenditure and working capital expenses; and
- (f) a voting exclusion statement is included in the Notice.

### 3.3 Directors' Recommendation

The Directors of the Company believe that Resolution 3 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 3.

## 4. RESOLUTION 4 – RATIFY PREVIOUS ISSUE OF SHARES - 4

### 4.1 General

On 25 August 2017, the Company issued 40,400,000 Shares at an issue price of \$0.014 per Share.

1,537,000 Shares were issued under its 15% placement capacity under Listing Rule 7.1, and 38,863,000 Shares under its 10% placement capacity under Listing Rule 7.1A.

It now seeks, pursuant to Resolution 4 of the Notice, to ratify the allotment and issue of those Shares.

ASX Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1 or the 10% threshold set by Listing Rule 7.1A. Listing Rule 7.1A enables eligible entities to seek shareholder approval at an annual general meeting to enable the Company to issue an additional 10% of its issued capital without shareholder approval in the 12 month period following the meeting. Shareholders approved this at the Company's Annual General Meeting held on 29 November 2016. Listing Rule 7.4 permits the ratification of previous issues of shares made without prior shareholder approval, provided the issue did not breach the maximum thresholds set by Listing Rule 7.1 or 7.1A.

The effect of such a ratification is to restore a company's discretionary power to issue further shares up to 15% of the issued capital of the company under Listing Rule 7.1 and 10% under Listing Rule 7.1A without requiring shareholder approval.

Accordingly, Resolution 4 seeks Shareholder ratification of the issue of 40,400,000 Shares to restore the ability of the Company to issue further Shares within the 15% limit under Listing Rule 7.1, and 10% limit under Listing Rule 7.1A, during the next 12 months. The Company confirms that the issue and allotment of the Shares the subject of Resolution 4 did not breach Listing Rule 7.1 or Listing Rule 7.1A

### 4.2 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 40,400,000 Shares were allotted and issued by the Company on 25 August 2017;
- (b) the issue price per Share was \$0.014;
- (c) the Shares allotted were fully paid ordinary shares which rank equally with all other fully paid ordinary Shares on issue;
- (d) the Shares were issued to sophisticated investor clients of Bell Potter Securities Limited, none of which are related parties of the Company;
- (e) \$565,600 was raised from the issue of these Shares. The funds raised will be used for exploration expenditure and working capital expenses; and
- (f) a voting exclusion statement is included in the Notice.

### 4.3 Directors' Recommendation

The Directors of the Company believe that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 4.

## 5. RESOLUTION 5 – RATIFY PREVIOUS ISSUE OF SECURITIES - 5

### 5.1 General

On 7 June 2017, the Company issued 10,000,000 Options exercisable at \$0.04 each and expiring on 7 June 2021 and 10,000,000 Options exercisable at \$0.05 each and expiring on 7 June 2021, under its 15% placement capacity under Listing Rule 7.1.

It now seeks, pursuant to Resolution 5 of the Notice, to ratify the allotment and issue of those Options.

ASX Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The purpose and effect of such a ratification

is to restore the Company's discretionary power to issue further Securities under its 15% capacity under Listing Rule 7.1 without requiring Shareholder approval.

The Company proposes Resolution 5 to ratify the previous issue of Shares in accordance with ASX Listing Rule 7.4. The Company confirms that the issue and allotment of the Options, the subject of Resolution 5 did not breach ASX Listing Rule 7.1.

## **5.2 Information required by Listing Rule 7.5**

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 10,000,000 Options with an exercise price of \$0.04 and an expiry date of 7 June 2021 were allotted and issued by the Company on 7 June 2017. The full terms and conditions of the Options are included in Annexure A to this Explanatory Memorandum;
- (b) 10,000,000 Options with an exercise price of \$0.05 and an expiry date of 7 June 2021 were allotted and issued by the Company on 7 June 2017. The full terms and conditions of the Options are included in Annexure B to this Explanatory Memorandum
- (c) the deemed issue price, as calculated using a Black Scholes Option pricing model, per \$0.004 Option was \$0.02;
- (d) the deemed issue price, as calculated using a Black Scholes Option pricing model, per \$0.005 Option was \$0.0195;
- (e) the Options were issued to Atlantic Capital Pty Ltd, which is not a related party of the Company;
- (f) No funds were raised from these issues. If the Options are exercised, the funds raised will be put towards the Company's working capital requirements; and
- (g) a voting exclusion statement is included in the Notice.

## **5.3 Directors' Recommendation**

The Directors of the Company believe that Resolution 5 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 5.

## GLOSSARY

In this Explanatory Memorandum and the Notice, the following terms have the following meanings unless the context otherwise requires:

<b>Associate</b>	has the same meaning as defined in Section 11 and Sections 13 to 17 of the Corporations Act.
<b>ASX</b>	means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
<b>Board</b>	means the board of Directors of the Company.
<b>Closely Related Party</b>	has the same meaning as defined in Section 9 of the Corporations Act.
<b>Company</b>	means Tanga Resources Limited ACN 141 940 230
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	means a director of the Company.
<b>Explanatory Memorandum</b>	means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Notice or Notice of Meeting</b>	means the Notice of General Meeting accompanying this Explanatory Memorandum.
<b>Proxy Form</b>	means the Proxy Form attached to this Notice.
<b>Resolution</b>	means a resolution contained in the Notice.
<b>Securities</b>	has the meaning described in Chapter 19 of the Listing Rules.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means the holder of a share.

## INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A Shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this General Meeting as the Shareholder's proxy. A proxy need not be a Shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the Shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the Shareholder's voting rights. Fractions shall be disregarded.
3. The Proxy Form must be signed personally by the Shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed in accordance with its constitution or its duly authorised attorney. In the case of joint Shareholders, this proxy must be signed by each of the joint Shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a Shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the Proxy Form.
5. To be effective, forms to appoint proxies **must be received by the Company by 10:00am 25 September 2017** by post, facsimile or email to the respective addresses stipulated in this Proxy Form.
6. The Chairman will cast all available proxies in favour of the Resolutions.
7. If the Proxy Form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
  - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
  - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
  - (c) if the proxy is the Chairperson, the proxy must vote on a poll and must vote that way, and
  - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.
8. If a proxy is also a Shareholder, the proxy can cast any votes the proxy holds as a Shareholder in any way that the proxy sees fit.

The Company Secretary  
Tanga Resources Limited  
63 Hay Street  
SUBIACO WA 6008

Name of Shareholder (s) .....

Address of Shareholder (s) .....

**STEP 1** Appoint Proxy to Vote on Your Behalf

I / We being a member / s of Tanga Resources Limited hereby appoint

the Chairman of the meeting

OR

**PLEASE NOTE:** leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own names (s)

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 General Meeting of Tanga Resources Limited to be held at the Company's office, 63 Hay Street, Subiaco Western Australia on 27 September 2017 at 10:00am (WST) and at any adjournment of that meeting.

**Important for All Resolutions – if the Chairman of the meeting is your proxy or is appointed as your proxy by default**

By marking this box, you are directing the Chairman of the meeting to vote in accordance with the Chairman's voting intentions on the Resolutions as set out below and in the Notice of Meeting. If you do not mark this box, and you have not directed your proxy how to vote on the Resolutions in Step 2 below, the Chairman of the meeting will not cast your votes on the Resolutions and your votes will not be counted in computing the required majority if a poll is called on this item. If you appoint the Chairman of the Meeting as your proxy you can direct the Chairman how to vote by either marking the boxes in Step 2 below (for example if you wish to vote against or abstain from voting) or by marking this box (in which case the Chairman of the meeting will vote in favour of the Resolutions .

The Chairman of the Meeting intends to vote all available proxies in favour of the Resolutions

I / We (except where I /we have indicated a different voting intention below):

1. direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on the Resolutions to vote in favour of this item; and
2. acknowledge that the Chairman of the Meeting may exercise my / our proxy in respect of the Resolutions as he sees fit even if the Chairman has an interest in the outcome of The Resolutions and that votes cast by him, other than as proxy holder, would be disregarded because of that interest.

**STEP 2** Items of Business

**PLEASE NOTE:** if you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority

		For	Against	Abstain
Resolution 1	Ratification of Issue of Shares - 1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Issue of Shares - 2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Issue of Shares - 3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Issue of Shares - 4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Issue of Securities - 5	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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This Proxy is appointed to represent \_\_\_\_\_% of my voting right, or if 2 proxies are appointed Proxy 1 represents \_\_\_\_\_% and Proxy 2 represents \_\_\_\_\_% of my total votes. My total voting right is \_\_\_\_\_ shares.

**SIGN**

Signature of Security holder – Please sign here

Individual or Shareholder 1

Sole Director & Sole Company Secretary

Joint Shareholder 2

Director / Company Secretary

Joint Shareholder 3

Director

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2017

**ANNEXURE A**  
**TERMS AND CONDITIONS**  
**\$0.04 OPTIONS**  
**EXPIRING 7 JUNE 2021**

The Options are issued on the following terms:

1. The exercise price of each Option will be \$0.04 ("**Exercise Price**").
2. Each Option entitles the holder to subscribe for one Share in Tanga Resources Limited ACN 141 940 230 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
3. The Options will vest on the date of issue.
4. All Options will lapse at 5:00 pm, Western Standard Time on 7 June 2021 ("**Expiry Date**").
5. Once a Termination Notice has been given under either Clause 12.2 (a) or Clause 12.3 of the Executive Service Agreement dated 7 June 2017 between Tanga Resources Limited and Matthew Bowles, the Option holder will have a period of 3 months to exercise the Options. Any Options not exercised after 3 months, will lapse immediately.
6. Once a Termination Notice has been given under Clause 12.2 (b) of the Executive Service Agreement dated 7 June 2017 between Tanga Resources Limited and Matthew Bowles, the Options will lapse immediately.
7. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
8. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before books closing date to exercise the Options.
9. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in the ASX Listing Rules;
10. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
11. Once vested, the Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
12. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
13. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
14. The Options are fully transferrable.

## ANNEXURE B

### TERMS AND CONDITIONS \$0.05 OPTIONS EXPIRING 7 JUNE 2021

The Options are issued on the following terms:

1. The exercise price of each Option will be \$0.05 ("**Exercise Price**").
2. Each Option entitles the holder to subscribe for one Share in Tanga Resources Limited ACN 141 940 230 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
3. The Options will vest on the date of issue.
4. All Options will lapse at 5:00 pm, Western Standard Time on 7 June 2021 ("**Expiry Date**").
5. Once a Termination Notice has been given under either Clause 12.2 (a) or Clause 12.3 of the Executive Service Agreement dated 7 June 2017 between Tanga Resources Limited and Matthew Bowles, the Option holder will have a period of 3 months to exercise the Options. Any Options not exercised after 3 months, will lapse immediately.
6. Once a Termination Notice has been given under Clause 12.2 (b) of the Executive Service Agreement dated 7 June 2017 between Tanga Resources Limited and Matthew Bowles, the Options will lapse immediately.
7. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
8. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before books closing date to exercise the Options.
9. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in the ASX Listing Rules;
10. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
11. Once vested, the Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
12. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
13. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
14. The Options are fully transferrable.