

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

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

**Date of Meeting**  
3 August 2018

**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 3 August 2018 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 PLACEMENT SHARES**

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 100,125,000 Placement Shares to the parties, for the purposes and on the terms set out in the Explanatory Memorandum."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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

To consider and, if thought fit, 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 44,000,000 shares to the parties, on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**3. RESOLUTION 3 - APPROVAL OF ISSUE OF PLACEMENT OPTIONS**

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

*"That, for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of up to 50,062,500 Placement Options (exercisable at \$0.015 each and expiring 30 June 2019) to the parties, on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. **RESOLUTION 4 - APPROVAL OF ISSUE OF SHARES & OPTIONS TO AMBASSADOR DR BEN MOSES**

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

*"That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 6,800,000 Shares at an issue price of \$0.008 each and 3,400,000 Options, (exercisable at \$0.015 each and expiring on 30 June 2019), to Ambassador Dr Ben Moses, for the purposes and on the terms set out in the Explanatory Memorandum."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. **RESOLUTION 5 - PLACEMENT AUTHORITY – SHARES**

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

*"That, for the purposes of Listing Rule 7.1 of the Listing Rules of ASX Limited and for all other purposes, approval is given for the Company to issue and allot at the Directors' discretion up to a maximum of 50,000,000 fully paid ordinary Shares in the capital of the Company on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

A Proxy Form is attached.

To be valid, properly completed Proxy Forms must be received by the Company no later than 10:00am (WST) 1 August 2018 at:

**Security Transfer Registrars Pty Ltd**

**Online**                      www.securitytransfer.com.au

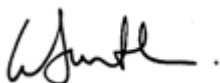
**Postal Address**            PO BOX 52  
Collins Street West VIC 8007

**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



---

Graeme Smith  
Company Secretary  
Date: 2 July 2018

**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 1 August 2018 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 3 August 2018 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;
- approve the issue of 50,062,500 Securities under Listing Rule 7.1; and
- approve the issue of shares & options to a related party; and
- approve a placement authority of up to 50 million shares.

### 1. RESOLUTION 1 – RATIFICATION OF ISSUE OF PLACEMENT SHARES

#### 1.1 General

On 6 June 2018 the Company announced it had completed a successful placement to raise \$800,000. In the announcement the Company advised that, subject to shareholder approval, it would offer one free attaching unlisted option (**Placement Option**) for every two New Shares issued. The Placement Options will be issued with an exercise price of \$0.015 per share with an expiry date of 30 June 2019 and are subject to shareholder approval under Resolution 3. Further terms and conditions of the Placement Options are set out in Appendix A. The Placement Shares were issued on 13 June 2018.

57,000,000 of the 100,125,000 Placement Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1A which was approved by Shareholders at the annual general meeting held on 27 November 2017 and the remaining 43,125,000 Placement Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1 (**Ratification**).

#### 1.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### 1.3 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of Resolution 1, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

#### 1.4 Information required by Listing Rule 7.5

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

- (a) 100,125,000 Placement Shares were allotted and issued by the Company on 13 June 2018 on the following basis:
  - (i) 43,125,000 Placement Shares were issued pursuant to ASX Listing Rule 7.1;
  - (ii) 57,000,000 Placement Shares were issued pursuant to ASX Listing Rule 7.1A;
- (b) the issue was \$0.008 price per Placement Share;
- (c) the Placement Shares allotted were fully paid ordinary shares which rank equally with all other fully paid ordinary Shares on issue;
- (d) the Placement Shares were issued to sophisticated and professional investors, none of which are related parties of the Company;
- (e) \$801,000 was raised from the issue of these Placement 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.

#### 1.5 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 - RATIFICATION OF ISSUE OF SHARES

### 2.1 General

On 26 June 2018 the Company issued 44 million shares pursuant to the exercise of an Option under a binding Heads of Agreement between the Company and Advino Resources Pty Ltd.

### 2.2 Background to Resolution 2

On 5 December 2017, the Company announced that it had entered into a binding heads of agreement (**Agreement**) to acquire an option to purchase 100% (**Option**) of the issued capital in Coldstone Investments (Proprietary) Limited (**Coldstone**) (**Acquisition**).

Coldstone is party to a joint-venture agreement with Epangalo Mining Company (Proprietary) Limited (**Epangelo**), a private company with the Government of the Republic of Namibia, pursuant to which it has contractual rights to earn-in up to 90% of the Joubira Zinc Project (**Joubira Project**).

In accordance with the terms of the Agreement, and upon exercise of the Option, the Company will acquire all of the issued shares in Coldstone from Advino Resources Pty Ltd (ACN 164 200 953) (**Advino**), Coldstone's sole shareholder (**Coldstone Shares**).

#### Agreement

The key terms of the Agreement are as follows:

- (a) Coldstone and its sole shareholder, Advino grant to the Company an Option to acquire 100% of the fully paid ordinary shares in Coldstone. The Option will be exercisable during an initial two-month option period, during which the Company will complete due diligence on Coldstone and undertake a work program of up to \$100,000.

The Option may be extended for a longer period if TRL is unable to complete its due diligence and/or work program within the initial period.

- (b) Upon exercise of the Option, TRL shall provide the following consideration:
- (i) 44,000,000 fully paid ordinary shares in TRL at a deemed issue price of \$0.01 per share (**TRL Shares**) (**Consideration Shares**);
  - (ii) \$750,000 cash or, at the discretion of TRL, TRL Shares the equivalent of \$750,000 based on the volume weighed average price for the 10 days prior to satisfaction of the relevant milestone (**Deferred Consideration**)<sup>1</sup>:
    - (A) \$250,000 of the Deferred Consideration shall be issued on the definition of a Maiden Indicated Resource at the Joubira Project within 24 months of the date of the General Meeting (defined below), if the Company elects to satisfy this Deferred Consideration in TRL Shares it will be 25,000,000 TRL Shares (**Milestone 1 Shares**)<sup>1</sup>;
    - (B) \$150,000 of the Deferred Consideration shall be issued upon granting of a valid Mining Licence at the Joubira Project within 24 months of the date of the General Meeting (defined below), if the Company elects to satisfy this Deferred Consideration in TRL Shares it will be 15,000,000 TRL Shares (**Milestone 2 Shares**)<sup>1</sup>; and
    - (C) \$350,000 of the Deferred Consideration shall be issued upon completion and release to the ASX of a decision to mine at the Joubira Project within 24 months of the date of the General Meeting (defined below), if the Company elects to satisfy this Deferred Consideration in TRL Shares it will be 35,000,000 TRL Shares (**Milestone 3 Shares**)<sup>1</sup>,

(together the **Deferred Consideration Shares**), to the shareholders of Advino or their nominees (**Vendors**) in proportion to their holdings in Advino immediately prior to the Acquisition.

On 22 May 2018, the Company advised Advino that it was exercising the Option.

### 2.3 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### 2.4 Information required by Listing Rule 7.5

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

- (a) 44,000,000 Shares were allotted and issued by the Company under ASX Listing Rule 7.1 on 26 June 2018;
- (b) the deemed issue price per Share was \$0.01;

---

<sup>1</sup> If the Company elects to pay the Deferred Consideration in TRL Shares, for example purposes, and based on a deemed issue price of \$0.01, a further 75,000,000 TRL Shares may be issued, increasing the issued capital to 801,316,410 TRL Shares. The exact number of TRL Shares to be issued pursuant to the Deferred Consideration will be based on the volume weighed average price of the Company's shares for the 10 days prior to satisfaction of the relevant milestone.

- (c) the Shares allotted were fully paid ordinary shares which rank equally with all other fully paid ordinary Shares on issue;
- (d) 39,600,000 of the Shares were issued to Advino Resources Pty Ltd and 4,400,000 of the Shares were issued to Epangelo Mining Company (Proprietary) Limited, neither of which were related parties of the Company when the transaction was completed;
- (e) Advino Resources Pty Ltd have a 5.45% voting interest in the capital of the Company
- (f) no money was raised from the issue of these Shares; and
- (g) a voting exclusion statement is included in the Notice.

## 2.5 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 - APPROVAL OF ISSUE OF PLACEMENT OPTIONS

### 3.1 General

On 6 June 2018 The Company announced it had completed a successful placement to raise \$800,000. In the announcement the Company advised that, subject to shareholder approval, it would offer one free attaching unlisted option (**Placement Option**) for every two New Shares issued. The Placement Options will be issued with an exercise price of \$0.015 per shares with an expiry date of 30 June 2019. Further terms and conditions of the Placement Options are set out in Appendix A.

Given the issue of the Placement Options under Resolution 3 will exceed the 15% threshold set out in Listing Rule 7.1 and none of the exceptions contained in Listing Rule 7.2 apply, Shareholder approval is required under Listing Rule 7.1

Resolution 3 is an ordinary resolution.

### 3.2 Information required by Listing Rule 7.3

- (a) For the purposes of Listing Rule 7.3, information regarding the issue of the Placement Options is provided as follows:
- (b) The maximum number of Placement Options that the Company may issue under Resolution 3 is 50,062,500.
- (c) The Placement Options may be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (d) The Placement Options will be issued as free attaching Options on the basis of 1 Placement Option for every 2 Placement Shares subscribed for. Accordingly, no funds will be raised from the issue of the Placement Options.
- (e) The Placement Options will be issued to the Placement Participants (and/or their nominees) who are not related parties of the Company.
- (f) Shares issued on exercise of the Placement Options will be fully paid ordinary shares in the capital of the Company ranking equally in all respects with the Company's existing Shares on issue.
- (g) It is expected that the Placement Options will be issued on one date.

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 - APPROVAL OF ISSUE OF SHARES & OPTIONS TO AMBASSADOR DR BEN MOSES

### 4.1 General

Ambassador Dr Ben Moses is the chairman of fully owned subsidiary Kudu Resources (TZ) Ltd, a Tanzanian company.

Ambassador Dr Ben Moses wishes to obtain shareholder approval to subscribe for up to \$54,400 worth of securities on the same terms and conditions as the Placement Shares and Placement Options, the subject of Resolutions 1 and 3.

Ambassador Dr Ben Moses would receive 6,800,000 Shares and 3,400,000 Options (with an exercise price of \$0.015 each and an expiry date of 30 June 2019).

Under Section 208 of the Corporations Act, 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 (such as a director of the 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. Section 210 of the Corporations Act provides that shareholder approval for the purposes of Section 208 of the Corporations Act is not needed to give a financial benefit on the terms that would be unreasonable in the circumstances if the public company and the related party were dealing at arms' length.

It is the view of the Directors that the issue of the Placement Shares and Placement Options to Ambassador Dr Ben Moses under Resolution 4 falls under the arms' length exception in Section 210 of the Corporations Act as the issue of the Shares and Options is on the same terms and conditions the Placement Shares and Placement Options the subject of Resolutions 1 and 3.

Accordingly Shareholder approval is only being sought under Listing Rule 10.11 and approval is not required under Listing Rule 7.1.

### 4.2 Listing Rule Notice Requirements

Listing Rule 10.13 contains certain requirements as to the contents of a Notice sent to Shareholders for the purposes of Listing Rule 10.11 and the following information is included in this Explanatory Statement for that purpose:

- (a) the maximum number of Securities to be issued to Ambassador Dr Ben Moses will be as follows:
  - i. 6,800,000 Shares; and
  - ii. 3,400,000 Options
- (b) the Securities will be allotted as soon as practicable following the close of this Meeting and in any event no later than 1 month of the date of this Meeting;
- (c) the issue price of the Shares will be \$0.008 each;
- (d) the exercise price of the Options is \$0.015 per Option;
- (e) the Shares issued upon exercise of the Options will be fully paid ordinary Shares and rank equally with other fully paid ordinary Shares;
- (f) the Options expire on 30 June 2019 and the full terms and conditions of the Options is included in Annexure A to this Explanatory Memorandum;
- (g) \$54,400,000 will be raised from the issue of the Shares and Options to Ambassador Dr Ben Moses. If the Options are exercised, the funds raised will be put towards the Company's working capital requirements;
- (h) Ambassador Dr Ben Moses is a related party of the Company; and
- (i) a voting exclusion statement is included in this 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 – PLACEMENT AUTHORITY - SHARES

### 8.1 Background

Resolution 5 seeks the approval of Shareholders to enable the Directors, at any time during the three months after the General Meeting, to issue up to 50,000,000 Shares in the Company for the purpose of raising additional funds for the Company.

The purpose of the issue will be to fund the Company's ongoing exploration and evaluation programmes, fund the evaluation and acquisition of new opportunities, fund the corporate and administrative activities of the Company, working capital and to meet the costs of the issue.

The Shares to be issued will rank equally in all respects with the Company's existing issued Shares. The Shares to be issued will have a diluting effect on the issued capital of the Company.

### 8.2 Listing Rule Requirements

The effect of Resolution 5 will be to allow the Directors to issue the Shares pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's annual placement capacity.

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 Shares to be issued is 50,000,000 Shares;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur progressively throughout the 3 month period;
- (c) the issue price of the Shares will be not less than 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made or, if there is a prospectus, over the last 5 days on which sales in the securities were recorded before the date the prospectus is signed;
- (d) the subscribers for these Shares are not yet known, however they will only be issued to investors who qualify under Section 708 of the Corporations Act. None of these subscribers will be related parties 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; and
- (f) the Company intends to use the funds raised from the Placement towards the Company's ongoing exploration and evaluation programmes, fund the evaluation and acquisition of new opportunities, fund the corporate and administrative activities of the Company, working capital and to meet the costs of the issue in the proportions outlined below:

Proposed Area of Application	Proposed Allocation (%)
Ongoing exploration & evaluation programmes	35%
Evaluation and acquisition of new opportunities	30%
Corporate and administrative activities	15%
Working capital	15%
Costs of the Issue	5%
<b>Total</b>	<b>100%</b>

## OTHER BUSINESS

Management is not aware of any other business to come before the Meeting other than as set forth in the accompanying Notice. If any other business properly comes before the Meeting, it is the intention of the persons named in the Proxy Form to vote the Shares represented thereby in accordance with their best judgement on such matter.

## 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 1 August 2018** 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 3 August 2018 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):

- 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
- 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 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of issue of Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of issue of Shares & Options to Ambassador Dr Ben Moses	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Placement Authority Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Joint Shareholder 2

Joint Shareholder 3

Sole Director & Sole Company Secretary

Director / Company Secretary

Director

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2018

**APPENDIX A**  
**TERMS AND CONDITIONS**  
**\$0.015 OPTIONS**  
**EXPIRING 30 JUNE 2019**

The Options were issued on the following terms:

1. The exercise price of each Option will be \$0.015 ("**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 30 June 2019 ("**Expiry Date**").
5. 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.
6. 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.
7. 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;
8. 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.
9. 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.
10. 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.
11. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
12. The Options are fully transferrable.