

TANGA RESOURCES LIMITED
ACN 141 940 230

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

AND

PROXY FORM

Date of Meeting

29 November 2019

Time of Meeting

11:00am (WST)

Place of Meeting

The Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005,

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

*The **2019 Annual Report** may be viewed on the Company's website at www.tangaresources.com.au*

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

Notice is hereby given that the Annual General Meeting of Shareholders of Tanga Resources Limited (Company) will be held at The Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 on 29 November 2019 at 11:00am 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.

2019 FINANCIAL STATEMENTS

To receive the financial statements of the Company for the year ended 30 June 2019, consisting of the annual financial report, the Directors' report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following **advisory only resolution**:

"That, for the purposes of Section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 2019 Annual Report be and is hereby adopted."

Voting Prohibition

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whom are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the person is appointed as a proxy in writing that specifies the way the proxy is to vote on the resolution; or
- (b) the person is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. RESOLUTION 2 – BOARD SPILL (CONTINGENT RESOLUTION)

If applicable, to consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of section 250v(1) of the Corporations Act and for all other purposes:

- (a) *a meeting of the company's members be held within 90 days of the date of this Annual General Meeting (Spill Meeting);*
- (b) *all of the directors in office when the board resolution to approve the directors' report for the financial year ended 30 June 2019 was passed who remain in office as directors at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- (c) *resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting."*

Voting Prohibition

A vote on Resolution 2 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (c) a member of the Key Management Personnel, details of whom are included in the Remuneration Report; or
- (d) a Closely Related Party of such a member.

However, a person described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the person is appointed as a proxy in writing that specifies the way the proxy is to vote on the resolution; or
- (d) the person is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Note – Resolution 2 will only be put to the Annual General Meeting if at least 25% of votes cast on resolution 1 (adoption of remuneration report) are “against” that resolution. If less than 25% Of the votes cast on resolution 1 are against that resolution, then there will be no second strike and Resolution 2 will not be put to the Annual General Meeting.

3. RESOLUTION 3 – RE-ELECTION OF MR JOHN STOCKLEY AS A DIRECTOR

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That, in accordance with Listing Rule 14.4 & clause 11.3 of the Company’s Constitution and for all other purposes, John Stockley, retires as a Director, and being eligible, having offered himself for re-election, is re-elected as a Director.”

4. RESOLUTION 4 – APPOINTMENT OF MR MATTHEW BOWLES AS A DIRECTOR

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

“That, Matthew Bowles having consented to act, be elected as a director of Tanga resources Limited with effect from the end of the meeting at which this resolution is passed.”

5. RESOLUTION 5 – RE-ELECTION OF MR NIGEL LAFFERTY AS A DIRECTOR

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

“That, in accordance with Listing Rule 14.4 and for all other purposes, Nigel Lafferty, who was appointed to the Board since the previous annual general meeting of the Company, retires as a Director, and being eligible, having offered himself for re-election, is re-elected as a Director.”

6. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT FACILITY

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

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion Statement: The entity will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- a person who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder or ordinary securities in the entity) or
- an associate of those persons

However, the entity need not disregard a vote if:

- 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
- 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.

7. RESOLUTION 7 – CHANGE OF AUDITOR

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

“That, Greenwich & Co Audit Pty Ltd, the current auditor of the Company, be removed as the auditor of the Company effective from the date of the Meeting.”

8. RESOLUTION 8 – APPOINTMENT OF AUDITOR

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

“That, subject to the passing of Resolution 7, Pitcher Partners BA&A Pty Ltd being qualified to act as auditor of the Company and having consented to act as auditor of the Company effective from the date of the Meeting and the Directors be authorised to agree the remuneration”.

9. RESOLUTION 9 – AUTHORITY FOR ISSUE OF SECURITIES PURSUANT TO EMPLOYEE SHARE OPTION PLAN

“That the issue of Securities for the next 3 years under the Tanga Resources Limited Employee Share Option Plan (as amended from time to time), be approved for the purposes of ASX Listing Rule 7.2, exception 9.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a Director of the Company or 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.

A Proxy Form is attached.

To be valid, properly completed Proxy Forms must be received by the Company no later than 11:00am (WST) 27 November 2019 at:

Security Transfer Registrars Pty Ltd

Online www.securitytransfer.com.au

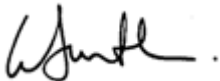
Postal Address PO BOX 52
Collins Street West VIC 8007

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: 25 October 2019

1. PROXIES

- (a) 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.
- (b) A proxy may, but need not be, a Shareholder of the Company.
- (c) 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.
- (d) 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.

2. ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 4:00 pm WST time on 27 November 2019 will be entitled to attend and vote at the AGM.

3. 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 Annual General Meeting of the Company to be held at the Celtic Club 48 Ord St, West Perth Western Australia 6005 on 29 November 2019 commencing at 3:45pm (WST).

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.

FINANCIAL AND OTHER REPORTS

As required by Section 317 of the Corporations Act, the financial statements for the year ended 30 June 2019 and the accompanying Directors' report, Directors' declaration and auditor's report will be laid before the meeting.

Neither the Corporations Act, nor the Company's Constitution requires a vote on the reports. However, the Shareholders will have an opportunity to ask questions about the reports at the AGM.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 Introduction

As required by the Corporations Act, the Board is presenting the Remuneration Report to Shareholders for consideration and adoption by a non-binding vote. The Remuneration Report contains:

- (a) information about the Board's policy for determining the nature and amount of remuneration of the Directors and senior executives of the Company;
- (b) a description of the relationship between the Company's remuneration policy and the Company's performance;
- (c) a summary of performance conditions for each of the Directors and senior executives, including a summary of why they were chosen and how performance is measured against them; and
- (d) remuneration details for each Director and for each of the Company's specified executives.

The Remuneration Report, which is part of the Annual Report, has been sent to Shareholders who have made an election to receive the Annual Report. Copies of the Annual Report are available by contacting the Company's share register or visiting the Company's website www.tangaresources.com.au.

1.2 Voting on the Remuneration Report

In accordance with section 250R(4) of the Corporations Act, a vote on the Remuneration Report Resolution must not be cast (in any capacity) by or on behalf of either the following persons:

- (a) a member of the Key Management Personnel, whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may cast a vote on the Resolution if:

- (c) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on the Remuneration Report Resolution; and
- (d) the vote is not cast on behalf of the person described in paragraphs (a) or (b) above.

The Chairman will cast available proxies in favour of Resolution 1.

Shareholders may choose to direct the Chairman to vote for or against Resolution 1 or to abstain from voting.

2. RESOLUTION 2 – BOARD SPILL (CONTINGENT RESOLUTION)

The Corporations Act requires that a spill resolution be included in the Notice of Meeting where at least 25% of the votes cast at the previous AGM on a resolution to adopt the remuneration report were cast against the adoption of the remuneration report.

At the 2018 AGM, more than 25% of the votes cast were against the adoption of the remuneration report.

The spill resolution is required to be put to the meeting if at least 25% of the votes cast on Resolution 1 to adopt the 2019 Remuneration Report are cast against the adoption of the 2019 Remuneration Report.

If the spill resolution is put, it will be considered as an ordinary resolution. If the spill resolution is put to the meeting and passed, the Company will hold another meeting of shareholders, known as spill meeting, within 90 days.

Under section 250v(1)(b)(i) of the Corporations Act, the following directors will cease to hold office immediately before the end of the spill meeting (unless they resign before the spill meeting):

(a) Nigel Lafferty; and

(b) John Stockley.

This assumes that both Nigel Lafferty and John Stockley, who are seeking re-election at this meeting, are re-elected.

Each of these directors is eligible to stand for re-election at the spill meeting and intends to seek re-election.

The spill meeting, if required, will be subject to separate notice in accordance with the Constitution of the Company and the Corporations Act. Nominations for director appointments at the spill meeting may be made in accordance with the Constitution of the Company and may include the directors listed above.

2.1 Directors' Recommendation

All of the Directors recommend that shareholders vote against Resolution 2. The Chair of the meeting intends to vote all available proxies to vote against resolution 2. Voting note that a voting exclusion applies to resolution 2 in the terms set out in the notice of meeting. In particular, the directors and other restricted voters must not vote on this resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the chair and expressly authorises the chair to exercise the proxy even though resolution 2 is connected directly or indirectly with the remuneration of a KMP.

If you appoint the chair as proxy, you will be taken to have directed him or her to vote in accordance with his or her stated intention to vote against resolution 2.

Shareholders are urged to read carefully the proxy form and to provide a direction to the proxy on how to vote on this resolution.

3. RESOLUTION 3 – RE-ELECTION OF MR JOHN STOCKLEY AS A DIRECTOR

3.1 Introduction

Resolution 3 proposes the election of John Stockley as a Director of the Company with effect from close of the Meeting. In accordance with ASX Listing Rule 14.4, no director of the Company may hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever period is longer. The Company's Constitution also requires that one third of the Company's directors must retire at each AGM.

Accordingly, Mr John Stockley will retire by rotation at this Meeting and, being eligible, offers himself for re-election.

Resolution 3 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

3.2 Director's Biography

Mr Stockley is an Honours graduate in Geology of the University of Tasmania and has over 40 years' experience in gold-base metal exploration and mining throughout the world. He has been involved in the exploration and development of gold projects in Africa, Australia, the Pacific Islands, North Asia, South America and Europe.

Mr Stockley has been involved in mining and mineral exploration in Africa since 1975 where in 2005-2006 he was directly responsible for the identification of +950,000oz of gold (measured resource) at the New Luika discovery near Chunya and over 850,000oz of gold (indicated and measured resources) at Londoni near Singida in Tanzania (both discoveries are held by Shanta Gold plc). He has worked for a number of major mining companies including Anglo American, Peko Wallsend, Renison Goldfields, Freeport Macmoran, Dominion Mining Ltd, and Troy Resources. Mr Stockley is a Member of the Australian Institute of Geoscientists.

3.3 Directors' Recommendation

All the Directors, with the exception of Mr Stockley, recommend that Shareholders vote in favour of Resolution 3.

4. RESOLUTION 4 – RE-ELECTION OF MR NIGEL LAFFERTY AS A DIRECTOR

4.1 Introduction

Mr Nigel Lafferty was appointed as a Non-Executive Director on 17 December 2018.

In accordance with ASX Listing Rule 14.4, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company. The Company's Constitution also requires that any director appointed during the year to fill a casual vacancy automatically retires at the next AGM, but is eligible for re-election at that meeting.

Accordingly, Mr Nigel Lafferty who was appointed by the Directors to fill as an addition now retires, and, being eligible, offers himself for election as a director.

Resolution 4 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

4.2 Director's Biography

Mr Nigel Lafferty holds a Bachelor of Business and is a member of Chartered Accountants Australia & New Zealand. He has over 25 years experience in advising on accounting, finance, corporate governance and planning matters. Mr Lafferty is Director of SLS Accounting, as well as holding Board positions on a number of client private companies..

4.3 Directors' Recommendation

All the Directors, with the exception of Mr Lafferty recommend that Shareholders vote in favour of Resolution 4.

5. RESOLUTION 5 – APPOINTMENT OF MR MATTHEW BOWLES AS A DIRECTOR

5.1 Introduction

The Company Constitution provides that the Company may appoint a director from office by resolution passed in a general meeting. If Resolution 5 is passed, Mr Bowles appointment will take effect from the close of the meeting.

Resolution 5 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

5.2 Director's Biography

Mr Bowles is a senior corporate finance executive with extensive corporate advisory, private equity and capital markets experience within the resources sector. He has a depth of experience in domestic and cross border financing, joint venture and M&A transactions in Africa, the Americas and Australia.

Mr Bowles was previously the Chief Development Officer for a West African focused gold company. He commenced his career with Rio Tinto where he worked for nine years in various corporate and commercial roles, before moving to London to work in resources banking and finance. Since his return to Australia he has held senior roles with global advisory firms focused on the resources sector.

5.3 Directors' Recommendation

All the Directors, with the exception of Mr Bowles recommend that Shareholders vote in favour of Resolution 5.

6. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT FACILITY

6.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the AGM (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

6.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an AGM.

(b) Equity Securities

- (i) Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.
- (ii) The Company, as at the date of the Notice, has on issue two classes of Equity Securities, being listed Shares and unlisted Options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an AGM may issue or agree to issue, during the 12 month period after the date of the AGM, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of Shares on issue 12 months before the date of issue or agreement:

plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;

plus the number of partly paid shares that became fully paid in the 12 months;

plus the number of fully paid Shares issued in the 12 months with approval of holders of Shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid Shares under the entity's 15% placement capacity without shareholder approval;

less the number of fully paid Shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%;

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

(i) The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

(ii) At the date of this Notice, the Company has on issue 1,581,284,328 Shares and has the capacity to issue:

A. 237,192,649 Equity Securities under Listing Rule 7.1; and

B. 158,128,433 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained; or
- (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) (**10% Placement Period**).

6.3 Listing Rule 7.1A

- (a) The effect of Resolution 6 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.
- (b) Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

6.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Convertible Securities, only if the Convertible Securities are converted into Shares). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities

- (c) If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table shows:

- (i) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.001 50% decrease in Issue Price	\$0.002 Issue Price	\$0.004 100% increase in Issue Price
Current Variable A 1,581,284,328 Shares	10% voting dilution	158,128,432	158,128,432	158,128,432
	Funds raised	\$158,128	\$316,257	\$632,514
50% increase in current Variable A 2,371,926,492 Shares	10% voting dilution	237,192,649	237,192,649	237,192,649
	Funds raised	\$237,193	\$474,385	\$948,771
100% increase in current Variable A 3,162,568,656 Shares	10% voting dilution	316,256,865	316,256,865	316,256,865
	Funds raised	\$316,257	\$632,514	\$1,265,027

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No Convertible Securities (including any Convertible Securities issued under the 10% Placement Facility) are converted into Shares before the date of the issue of the Equity Securities.
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of this Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Convertible Securities, it is assumed that those Convertible Securities are converted into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - (vii) The issue price is \$0.002 being the closing price of Shares on the ASX on 18 October 2019.
- (d) The Company will only issue and allot the Equity Securities during the Placement Period. The approval under Resolution 6 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (e) The Company may seek to issue the Equity Securities for the following purposes:
- (i) cash consideration. In such circumstances, the Company intends to use the funds raised towards exploration expenditure such as drilling, assaying, sampling, hire of geological consultants and/or general working capital; or
 - (ii) non-cash consideration for the acquisition of new resources, assets, investments and the provision of services. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A (4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or Associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

- (f) The Company previously obtained Shareholder approval under Listing Rule 7.1A at the 2018 Annual General Meeting on 26 November 2018.

In accordance with Listing Rule 7.3A.6 the total number of Equity Securities issued in the 12 months preceding the date of this Notice of Meeting is 308,256,865 representing 18% of the Equity Securities on issue at the commencement of the 12 month period.

The Company has issued the following Equity Securities in the 12 months preceding the date of this Notice of Meeting:

Date of issue	Number of Securities	Class	Issue Price	Discount to Market price	Current Value of consideration	Allottees
3 Sept 2019	308,256,865	ORD	\$0.003	Nil	\$924,771 ~\$100,000 of these funds have been used to pay drilling costs in Namibia. The remaining balance of \$825,000 will be used for exploration, specifically drilling, assaying, geological consultants & general working capital.	Sophisticated investors

- (g) A voting exclusion statement is included in the Notice.
- (h) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

6.5 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chairman intends to exercise all available proxies in favour of Resolution 6.

7. RESOLUTIONS 7 AND 8 – REMOVAL AND APPOINTMENT OF AUDITOR

7.1 General

Under Section 329 of the Corporations Act, an auditor of a company may be removed from office by resolution at a general meeting of which 2 months' notice of intention to move the resolution has been given. The notice of intention to remove Greenwich & Co Audit Pty Ltd ("**Greenwich**") is provided to Shareholders with this Notice.

It should be noted that under Section 329 of the Corporations Act, if a company calls a meeting after the notice of intention has been given, the meeting may pass the resolution even though the meeting is held less than 2 months after the notice of intention is given.

The Company provides the notice of intention to Shareholders at Annexure B to this Notice and seeks the approval to remove the auditor even though the meeting will be held less than 2 months after the notice of intention is given.

Under Section 327D of the Corporations Act, the Company in a general meeting may appoint an auditor to replace an auditor removed under Section 329 of the Corporations Act.

If Greenwich is removed under Resolution 5, the Directors propose that Pitcher Partners BA&A Pty Ltd be appointed as the Company's auditor, effective from the Meeting. The notice of intention to remove Greenwich as the Company's auditor and nomination of Pitcher Partners as auditor of the Company is provided to Shareholders in Annexure B to this Notice. Pitcher Partners has given written consent to act as the Company's auditor in accordance with Section 328A(1) of the Corporations Act.

If Resolutions 7 and 8 are passed, the appointment of Pitcher Partners as the Company's auditor will take effect at the close of the Meeting.

8. RESOLUTION 9 – AUTHORITY FOR ISSUE OF SECURITIES PURSUANT TO EMPLOYEE SHARE OPTION PLAN

8.1 General

The Tanga Resources Limited Employee Share Option Plan (**Plan**) was established in 2016 to assist in the recruitment and retention of key personnel. As at the date of this Notice, 9.5 million securities have been issued under the Plan.

ASX Listing Rule 7.1 prohibits a company from issuing new securities representing more than 15% of its issued share capital during the following 12 month period without Shareholder approval. ASX Listing Rule 7.2 (Exception 9) provides that securities issued under an employee incentive scheme are excluded from this restriction, provided that, within 3 years before the date of issue, the issue of securities under the scheme have been approved by Shareholders in general meeting.

Resolution 9 seeks the approval of Shareholders for the potential issue of securities under the Plan for 3 years after the date of the general meeting, without those securities being subject to the 15% limit contained in ASX Listing Rule 7.1. If Resolution 9 is not passed, any securities issued under the Plan will count towards the 15% limit in Listing Rule 7.1. No Securities have been issued under the Plan as at the date of this Notice.

It should be noted that directors of the Company will not be issued securities under the Plan without first obtaining Shareholder approval under Listing Rule 10.11.

8.2 Summary of key features

The key features of the Plan are as follows:

- (a) Options may be issued under the Plan to employees, directors or consultants (together called "Employees") of the Company (or any associated companies) as nominated by directors;
- (b) the Options will be issued for no consideration and are not transferable;

- (c) the exercise price of the Options shall be determined by the Board but will be not less than the weighted average sale price of the Company's Shares on ASX over the five trading days immediately preceding the date of the offer;
- (d) the expiry date of the Options will be determined by the directors at the time of issue of the Options;
- (e) the Directors may elect to issue the Options with vesting conditions or performance hurdles whereby the Options will vest to the Employee progressively over a period of time;
- (f) Options that have not vested may be exercised in the event of a takeover offer or a change of control of the Company;
- (g) the maximum number of Options on issue under the Plan cannot be more than 5% of the number of shares on issue in the Company from time to time, subject to certain exceptions;
- (h) the Company will not apply for official quotation of the Options; and
- (i) all Shares issued upon exercise of the Options will rank pari passu with existing Shares on issue.

The Board also has the authority to vary the terms of the Plan (other than in respect of the maximum number of Options that may be issued under the Plan).

A full copy of the terms and conditions of the Plan is available upon request.

8.3 Purpose of the Plan

The Plan is designed to assist in attracting and retaining key personnel required for the ongoing management and continued growth and development of the Company in the future. Options issued under the Plan are expected to increase the motivation of Employees of the Company, promote retention of employees, align employee interests with those of the Company and its shareholders and to reward employees who contribute to the growth of the Company.

The future success of the Company is in part dependent on the skills and commitment of the Company's employees. It is therefore important that the Company is able to attract and retain people of the highest calibre.

8.4 Voting exclusion

The Company will disregard any votes cast in favour of Resolution 9 by or on behalf of the Directors and any of their Associates. However, the Company need not disregard a vote if:

- (a) 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
- (b) 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 person appointed as proxy must not vote on this Resolution on the basis of that appointment if:

- (a) that person is either a member of Key Management Personnel or a Closely Related Party; and
- (b) the appointment does not specify how the proxy is to vote on the proposed resolution;

unless the person appointed is the Chairman of the meeting and that appointment expressly authorises the Chairman to exercise the proxy even if the proposed resolution is connected directly or indirectly with the remuneration of Key Management Personnel of the Company.

OTHER BUSINESS

Management is not aware on 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:

AGM	means an Annual General Meeting
Annual Report	means the Directors' report, the annual financial report and auditors' report in respect of the financial year ended 30 June 2019.
Associate	has the same meaning as defined in Section 11 and Sections 13 to 17 of the Corporations Act.
ASX	means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
Board	means the board of Directors of the Company.
Closely Related Party	has the same meaning as defined in Section 9 of the Corporations Act.
Company	means Tanga Resources Limited ACN 141 940 230
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Explanatory Memorandum	means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.
Listing Rules	means the listing rules of ASX.
Notice or Notice of Meeting	means the Notice of Annual General Meeting accompanying this Explanatory Memorandum.
Proxy Form	means the Proxy Form attached to this Notice.
Remuneration Report	means the remuneration report of the Company outlined in the Annual Report.
Resolution	means a resolution contained in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a share.
VWAP	means the volume weighted average price of the Company's Shares as traded on the ASX.

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 Annual 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 11:00am 27 November 2019** 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.

ANNEXURE B

The Company Secretary,
Tanga Resources Limited
63 Hay Street
Subiaco WA 6008

Dear Sir/Madam

**TANGA RESOURCES LIMITED ('TANGA' OR THE 'COMPANY')
NOTICE OF INTENTION TO REMOVE GREENWICH & CO AU PTY LTD PURSUANT TO SECTION 329 OF THE
CORPORATIONS ACT 2001**

Dear sir/madam

I, Matthew Bowles, request that the company as part of the annual general meeting it will convene on 29 November 2019 consider and, if thought fit, pass the resolution that Greenwich & Co Audit Pty Ltd be removed as auditor of the company.

I will nominate Pitcher Partners BA&A Pty Ltd to be considered as the company's new auditor.



Matthew Bowles
Director

25 October 2019

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TANGA RESOURCES LIMITED

ACN: 141 940 230

REGISTERED OFFICE:

GROUND FLOOR
63 HAY STREET
SUBIACO WA 6008

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«EFT_REFERENCE_NUMBER»

«Company_code» «Sequence_number»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

SHARE REGISTRY:

Security Transfer Australia Pty Ltd

All Correspondence to:

PO BOX 52
Collins Street West VIC 8007
Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000
T: 1300 992 916
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code:

TRL

Holder Number:

«HOLDER_NUM

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE
ONLINE**

Lodge your proxy vote securely at www.securitytransfer.com.au

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting chairperson

OR

[Empty box for proxy name]

or failing the person named, or if no person is named, the Chairperson 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 Annual General Meeting of the Company to be held at 11:00am WST on Friday 29 November 2019 at The Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies AGAINST Resolution 2 and in FAVOUR of all other resolutions.

RESOLUTION	For	Against	Abstain*	For	Against	Abstain*
1. ADOPTION OF REMUNERATION REPORT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7. CHANGE OF AUDITOR	<input type="checkbox"/>	<input type="checkbox"/>
2. BOARD SPILL (CONTINGENT RESOLUTION)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8. APPOINTMENT OF AUDITOR	<input type="checkbox"/>	<input type="checkbox"/>
3. RE-ELECTION OF MR JOHN STOCKLEY AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. AUTHORITY FOR ISSUE OF SECURITIES PURSUANT TO EMPLOYEE SHARE OPTION PLAN	<input type="checkbox"/>	<input type="checkbox"/>
4. APPOINTMENT OF MR MATTHEW BOWLES AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
5. RE-ELECTION OF MR NIGEL LAFFERTY AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
6. APPROVAL OF 10% PLACEMENT FACILITY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

[Signature box for Individual or Security Holder]

[Signature box for Security Holder 2]

[Signature box for Security Holder 3]

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 11:00am WST on Wednesday 27 November 2019.

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TRL

TRLPX2291119

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My/Our contact details in case of enquiries are:

Name:

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Number:

(

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)

1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia 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

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

