

# Florin Mining Investment Company Limited

## Notice of General Meeting

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Florin Mining Investment Company Limited (ACN 111 170 882) (the *Company*) gives notice that a general meeting of the Company will be held at Cameron Stockbrokers Limited, Level 5, 10 Spring Street, Sydney, New South Wales on 18 March 2010 at 3.00 pm.

The Explanatory Memorandum accompanying and forming part of this Notice of Meeting describes in more detail the matters to be considered. Certain words have defined meanings when used in the Notice of Meeting. A Glossary of defined terms is contained at the end of the Explanatory Memorandum.

The following Resolutions will be considered at the Meeting.

### **Resolution 1 – Removal of Steven Shane Pritchard as a director and appointment of Christopher Bruce Ryan in his place**

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

*"That Steven Shane Pritchard be and he is hereby removed from office as a director of the Company and that Christopher Bruce Ryan be appointed a director of the Company in his place."*

### **Resolution 2 – Removal of Daniel Di Stefano as a director and appointment of Robin John Dean in his place**

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

*"That Daniel Di Stefano be and he is hereby removed from office as a director of the Company and that Robin John Dean be appointed a director of the Company in his place."*

BY ORDER OF THE BOARD

Dated: 5 February 2010



Brett Hall  
Company Secretary

# Explanatory Memorandum

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The background to and explanation of the Resolutions is provided in this Explanatory Memorandum.

All Resolutions the subject of the Meeting are ordinary resolutions. To be valid, a Resolution must be approved by a majority of the votes cast on the Resolution by those Shareholders entitled to vote on the Resolution and who validly do so, whether in person, by proxy or corporate representative. The Resolutions are not interconditional, and either could be passed without the other of them being passed.

## 1. Why is this General Meeting being held?

On 18 January 2010, the Company received a notice from two shareholders, Warramboe Holdings Pty Limited and Wythenshawe Pty Limited (together, the *Requisitionists*) under section 249D of the *Corporations Act (Notice)*.

Section 249D of the *Corporations Act* provides that the directors of a company must call and arrange to hold a general meeting on the request of shareholders holding at least 5% of the company's shares. The *Corporations Act* requires that any such general meeting is to be held at the company's cost.

The Requisitionists have requested that the Company convene a general meeting to put Resolutions 1 and 2 to Shareholders for a vote. The Resolutions seek to remove two current directors and appoint two new directors in their place.

The Requisitionists proposed an additional resolution seeking a vote of Shareholders to remove any director appointed on or after the date of the Notice. A resolution to remove as yet unknown directors who may be appointed in the future has been found by the Courts (in relation to other companies which have been in a similar situation) to be invalid, because it would be impossible for such a future director to exercise their right to put his or her case to shareholders in accordance with the *Corporations Act*. Accordingly, the Company has not included this additional resolution in the Notice of Meeting.

The Requisitionists have provided a statement outlining their reasons for proposing the Resolutions, and brief biographies of the proposed new directors. A copy of their statement is included in full in the Annexure to this Explanatory Memorandum.

## 2. Voting information

### Attending the General Meeting

The Meeting will be held at 3.00 pm on 18 March 2010 at Cameron Stockbrokers Limited, Level 5, 10 Spring Street, Sydney, New South Wales.

Shareholders are entitled to attend the Meeting and vote on the Resolutions. If you cannot attend in person, you can vote in any of the ways set out below.

This Explanatory Memorandum includes the Notice of Meeting and encloses a Proxy Form.

### Who is entitled to vote at the General Meeting

The Company has determined, in accordance with Corporations Regulation 7.11.37, that each Shareholder registered in the Register at 7.00pm (Sydney time) on 16 March 2010 is entitled to vote at the Meeting.

You can vote at the Meeting:

- (a) in person; or
- (b) by proxy; or

- (c) by corporate representative (if you are a corporate Shareholder); or
- (d) by attorney.

You will be counted as being present at the Meeting if you vote in any of the ways outlined above.

### **Voting at the meeting**

Every Resolution arising at the Meeting will be decided in the first instance by a show of hands. On a show of hands, every Shareholder who is present in person or by proxy, or by representative or by attorney, will have one vote.

A poll may be demanded in accordance with Article 17.4 of the Constitution. Upon a poll, every person who is present in person or by proxy, or by representative or by attorney, will have one vote for each Share held by that person.

### **Voting in person**

If you wish to vote in person at the Meeting, please attend the Meeting.

Corporate Shareholders may appoint a proxy or alternatively appoint a corporate representative. In order to appoint a corporate representative, corporate Shareholders will be required to complete either:

- (a) a "Certificate of Appointment of Representative" form to enable a natural person to attend on its behalf; or
- (b) a properly executed letter or other document enabling a natural person to attend on its behalf. Such appointment must comply with the requirements under Section 250D of the *Corporations Act*. The representative should bring to the Meeting a properly executed letter or other document confirming this authority to act.

### **Voting by proxy**

If you wish to appoint a proxy for the Meeting, you should complete the Proxy Form and lodge it with the Registry, in accordance with the Proxy Form instructions. Proxy forms **must be received** no later than 3.00 pm on 16 March 2010.

Where the Proxy Form is executed under a power of attorney, the power of attorney or a certified copy of the power of attorney must be lodged with the Proxy Form (unless previously provided to the Registry).

Lodging a proxy form will not preclude personal attendance and voting at the Meeting.

A Shareholder may appoint a non Shareholder to attend on their behalf. In selecting a proxy a Shareholder may, provided they can cast 2 or more votes, appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where a Shareholder has appointed 2 proxies, neither proxy is entitled to vote on a show of hands.

You can return the completed Proxy Form in any of the following ways:

- (a) in the reply paid envelope;
- (b) mailing the Proxy Form to the Registry's mailing address below;
- (c) faxing it to Registry on 02 4920 2878 (within Australia) or +61 2 4920 2878 (outside Australia);
- (d) delivering it in person to the Company's registered office.

**Registry's mailing address:** Newcastle Capital Markets Registries Pty Ltd  
10 Murray Street  
Hamilton NSW 2303

**The Company's registered office:** 10 Murray Street  
Hamilton, Newcastle NSW 2300

**Further information**

If you would like further information on how to vote please contact the Information Line on 1800 134 234 (toll free for calls within Australia) or +61 2 4920 2877 (calls outside Australia).

### **3. Glossary**

The meanings of the terms used in this Explanatory Memorandum are set out below.

**Board** means the board of directors of the Company (and each of the directors of the Company as the case may be).

**Company** means Florin Mining Investment Company Limited (ABN 60 111 170 882).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the directors of the Company.

**Meeting** means the general meeting of Shareholders which is the subject of this Notice of Meeting.

**Notice of Meeting** means the notice of Meeting that forms part of this document.

**NSX** means the National Stock Exchange of Australia.

**Registry** means Newcastle Capital Markets Registries Pty Ltd (ABN 50 092 673 348).

**Requisitionists** means Warramboe Holdings Pty Limited (ABN 12 008 820 719) and Wythenshawe Pty Limited (ACN 008 947 420).

**Resolutions** means each of the resolutions set out in the Notice of Meeting.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

#### **Interpretation**

In this Explanatory Memorandum unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the meaning of the Sections they introduce;
- (b) the singular includes the plural and the other way around;
- (c) words importing any gender include any other genders;
- (d) references to persons include corporations;
- (e) references to dollar or \$ are references to Australian currency;
- (f) references to legislation, rules or other documents include those instruments as amended, supplemented or replaced, and in the case of legislation includes regulations, rules and instruments made under that legislation; and
- (g) references to time are references to time in Sydney.

## Annexure

### Requisitionists' statement

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The Company has been provided with the following statement by the Requisitionists for distribution to Shareholders. The Board does not endorse the statement, and accepts no responsibility for its contents.

*"This Section 249D Request reflects our concern for the continuation of the term of management of Florin by Cameron Stockbrokers Limited. On our understanding, the Management Agreement appointed Cameron Stockbrokers Limited as Manager for an indefinite term unless terminated earlier in accordance with its terms. We are not aware that the Company has any rights of termination other than if:*

- (a) the Manager goes into liquidation;*
- (b) a receiver or receiver and manager is appointed to the undertaking of the Manager; or*
- (c) the Manager is in default or breaches its obligations under the Management Agreement and such default or breach is not rectified within 10 business days after the breach.*

*We are of the view that Florin should be able to determine the entity which is its manager and our nominees as Directors will be charged with determining and promoting a suitable course of action to effect a renegotiation of such of the terms of the Management Agreement as the new board considers to be contrary to the best interests of the shareholders of Florin. We consider this objective can be pursued more effectively if the board is free from potential conflicts of interest that could arise if Messrs Pritchard and Di Stefano who are associated with the Manager continue as Directors of the Company.*

*Brief biographies of our nominees as directors of Florin follow.*

#### **Christopher B. Ryan BEcon (UWA), MBA (UNSW)**

*Mr Ryan is the Principal of Westchester Corporate Finance, a Sydney based corporate advisory firm specialising in advising listed companies on fund raising, mergers and acquisitions and associated transactions. Prior to forming Westchester in July 1996, Christopher was with Schroders Australia for 27 years. At Schroders, he served 3 years in the investment division, 2 years as an economist monitoring influences on interest and exchanges rates and 22 years in the corporate finance division of which he was a director for 19 years specialising in advising on project financing and mergers and acquisitions mainly in the Australian minerals and oil and gas sections.*

*Current directorships in listed entities*

*Current Non-Executive Director of Bentley Capital Limited (ASX: BEL)*

#### **Robin J Dean BEcon (UWA)**

*Mr Dean has a background in corporate banking and project finance over 25 years with Westpac and BankWest. In this role, he was involved in the development of numerous successful resources projects across a range of commodities including gold, copper, coal, oil and gas and was at the leading edge of developing risk management strategies for new resource projects. He is also experienced in fund raising, mergers and acquisitions and company restructures. Mr Dean has also managed public listed companies being formerly the managing director of the ASX listed companies St Barbara Mines Limited and Structural Monitoring Systems plc.*

*Current directorships in listed entities*

*Current Non-Executive Director of Structural Monitoring Systems plc (ASX: SMN)"*

# Proxy form

## Florin Mining Investment Company Limited

*[print name and address of shareholder]*

I/We being a Shareholder of Florin Mining Investment Company Ltd (the *Company*) appoint:

(write name)

of

(write address)

(or, in his/her absence, or if no person is named, the Chair of the Meeting) as my/our proxy to vote for me/us on my/our behalf at the General Meeting of the Company to be held at Cameron Stockbrokers Limited, Level 5, 10 Spring Street, Sydney, New South Wales on 18 March 2010 and at any adjournment of the General Meeting and to demand a poll.

If two proxies are appointed, the proportion or number of votes this proxy is appointed to represent is:

Proportion of votes

or

Number of votes

%
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*Complete a second proxy form if you are appointing two proxies*

### Instructing your proxy how to vote

If you wish to instruct your proxy how to vote (or to abstain from voting), please tick or otherwise mark the appropriate box opposite each item. Unless instructed to the contrary, proxies in favour of the Chair of the Meeting will be voted at the discretion of the Chair, which discretion may include abstaining from voting.

#### Resolutions:

For      Against      Abstain

1. Removal of Steven Shane Pritchard as a director and appointment of Christopher Bruce Ryan in his place

2. Removal of Daniel Di Stefano as a director and appointment of Robin John Dean in his place

**You must sign this Proxy Form here for it to be valid**

Shareholders who are individuals	Shareholders who are corporations
Signature(s) <i>(Note: All joint Shareholders must sign)</i>	Signed for and on behalf of the Shareholder by: Director Secretary/Director

## **Returning this Proxy Form**

For the appointment of the proxy to be valid, the Proxy Form and authority (if any) under which it is signed must be received no later than 3.00 pm on 16 March 2010.

You can return the completed Proxy Form in any of the following ways:

- (a) in the reply paid envelope;
- (b) mailing the Proxy Form to the Registry's mailing address below;
- (c) faxing it to Registry on 02 4920 2878 (within Australia) or +61 2 4920 2878 (outside Australia);
- (d) delivering it in person to the Company's registered office.

**Registry's mailing address:** Newcastle Capital Markets Registries Pty Ltd  
10 Murray Street  
Hamilton NSW 2303

**The Company's registered office:** 10 Murray Street  
Hamilton, Newcastle NSW 2300

Further information and requirements in relation to this Proxy Form are set out in the Notice of Meeting.