

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: FSD 0128 OF 2011 ()

IN THE MATTER OF THE COMPANIES LAW (2010 REVISION AS AMENDED)

AND IN THE MATTER OF NATASA MINING LTD



PETITION



To: The Grand Court

THE HUMBLE PETITION of Natasa Mining Ltd C/O Appleby Trust (Cayman) Ltd, Box 1350, Clifton House, 75 Fort Street, George Town, Grand Cayman KY1-1108, Cayman Islands (the "Company"). SHOWS THAT:

Background

1. The Company is an exempted company limited by shares and incorporated in the Cayman Islands on 14 April 2010 under the Companies Law as amended (the "Companies Law"). The Company is registered under number CR-239424.
2. The objects for which the Company is established are unrestricted.
3. The Company was incorporated with the power to issue up to five hundred million shares of no par value. The memorandum of association of the Company provides that the maximum aggregate consideration for such shares shall be ten billion US dollars or such other amount as the directors of the Company may determine.
4. On 27 May 2010, pursuant to a corporate reconstruction of Natasa Mining Ltd (an Australian Company now named Natasa Mining (Australia) Pty Ltd ("Natasa Australia")) conducted under the provisions of the Australian Corporations Act (2001), Natasa Australia transferred all of its assets (other than an amount of cash

distributed to its shareholders) and liabilities to the Company in consideration of the issue by the Company of 29,241,951 no par value Shares. These shares were then distributed by Natasa Australia to its shareholders and the Company was admitted to trading on the AIM Market of the London Stock Exchange on 8 June 2010. The shares of the Company are held by approximately 520 shareholders.

5. The Articles of Association of the Company (the “**Articles**”) provide that *inter alia*:

“49.2 The Company may to the extent applicable reduce its share capital in any way”.

6. The Company is proposing a reduction of its share capital (the “**Capital Reduction**”) for a discernable purpose, namely because its share capital is in excess of its needs.

Financial Information

7. The proposed Capital Reduction will not prejudice the interests of the creditors of the Company which are adequately safeguarded as neither the Company nor its subsidiaries have any creditors other than trade creditors and accruals in the sum of approximately US\$210,000 as of 30 April 2011, and the Company and its subsidiaries have cash resources well in excess of the amount due to creditors of the group as a whole.
 8. The Statements of Financial Position of the audited consolidated financial statements of the Company and its subsidiaries as at 31 December 2010 shows:
 - 8.1. shareholder equity of US\$56,527,959; this comprises issued and paid-up share capital of US\$41,723,622, reserves of US\$6,322,134 and retained earnings of US\$8,482,203;
 - 8.2. cash and cash equivalents of US\$29,315,691;
 - 8.3. other financial assets of US\$23,625,554; this amount comprises stock exchange listed equity securities available for sale;
 - 8.4. no creditors other than trade creditors and accruals in the sum of US\$209,988; and
 - 8.5. no debt.
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9. The unaudited management accounts of the Company and its subsidiaries as of 30 April 2011 shows:
 - 9.1. shareholder equity of US\$57,411,000; this comprises issued and paid-up share capital of US\$41,724,000, reserves of US\$4,429,000 and retained earnings of US\$11,258,000;
 - 9.2. cash and cash equivalents in the sum of US\$27,227,000;
 - 9.3. other financial assets of US\$26,942,000; this comprises stock exchange listed equity securities available for sale with a book value of US\$26,801,000 and a market value of US\$29,088,000;
 - 9.4. no creditors other than trade creditors and accruals in the sum of US\$183,000; and
 - 9.5. no debt.
10. As of 30 April 2011 the Company on an unconsolidated basis had cash and cash equivalents of US\$26,866,000; stock exchange listed equity investments with a market value of US\$26,801,000 and no creditors other than trade creditors and accruals in the sum of approximately US\$130,000 and no debt.

The Special Resolution

11. By a special resolution passed at an extraordinary general meeting of the Company held on 29 June 2011 in accordance with article 50 of the Articles and section 14 of the Companies Law (the “EGM”), it was resolved as a special resolution, *inter alia*, as follows:

“That the Company reduce its share capital by US\$10,234,682.85 by repaying 35 US cents per share on its issued 29,241,951 fully paid ordinary shares of no par value.”
12. On 6 June 2011, a circular was sent to all shareholders of the Company in relation to the proposed Capital Reduction (the “Circular”). The Circular included information about the proposed Capital Reduction and provided notice of an Extraordinary General Meeting which to be convened for the purpose of the shareholders considering, and if thought fit, approving the proposed Capital Reduction, as well as proxy forms.

13. The Circular was sent to persons entitled to receive notice of every general meeting and published on the website of the Company at www.natasamining.com.
14. The fact that the Circular (i) had been sent to persons entitled to receive notice of every general meeting; and (ii) had been published on the website of the Company at www.natasamining.com; was notified to the AIM Market of the London Stock Exchange in accordance with its rules and was published on its website at www.londonstockexchange.com.
15. At the EGM, the Special Resolution was unanimously passed on the basis of a show of hands in accordance with Article 63, there being valid proxies admitted at such meeting representing 24,576,134 shares (being 84% of the Company's issued share capital and 99.9% of the votes cast at the meeting).
16. As there is no unpaid share capital, the Capital Reduction would not involve the diminution in liability in respect of any such unpaid share capital.
17. The terms and effects of the Capital Reduction were properly explained to shareholders by a circular sent to them on 6 June 2011, a sufficient time prior to the EGM so as to ensure that shareholders are treated equitably.
18. The form of minute proposed to be registered is as follows:

“By virtue of a Special Resolution and with the sanction of an Order of the Grand Court of the Cayman Islands dated [] 2011, the issued share capital of Natasa Mining Ltd was reduced by US\$10,234,682.85 by the repayment of 35 US cents per share on the 29,241,951 fully paid ordinary shares of no par value of the Company. At the date of registration of this Minute, all of the shares in the issued share capital of the Company are fully paid up.”
19. It is appropriate for the Court to confirm the Capital Reduction.

YOUR PETITIONER THEREFORE HUMBLY PRAYS THAT:

- (1) That the reduction of the issued share capital of the Company proposed to be effected by the Special Resolution set forth in paragraph 11 of this Petition be confirmed and that the abovementioned minute be approved by the Court;
- (2) Such orders as the Court thinks fit.

AND your petitioner will pray etc.

Dated the 11th day of July 2011

Appleby (Cayman) Ltd

Appleby (Cayman) Ltd

Attorneys-at-law for the Petitioner

Note: This petition is not intended to be served

THIS PETITION was filed by Appleby (Cayman) Ltd, Attorneys-at-Law for the Petitioner, whose address for service is Clifton House, 75 Fort Street, PO Box 190, KY1-1104, George Town, Grand Cayman, Cayman Islands. (REF: RT/[319239.0004])

NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this petition will take place at the Law Courts, George Town, Grand Cayman on the day of 2011 at am/pm.

Any correspondence or communication with the Court relating to the hearing of this petition should be addressed to the Registrar of the Financial Services Division of the Grand Court at PO Box 495, Grand Cayman, Cayman Islands, KY1-1106 telephone 345 949 4296