

---

**TVN CORPORATION LIMITED**

**ACN 066 139 991**

**NOTICE OF GENERAL MEETING**

**EXPLANATORY STATEMENT**

**PROXY FORM**

---

**TIME:** 10 am (WST)

**DATE:** Wednesday 16 November 2011

**PLACE:** Suite 6  
245 Churchill Avenue  
Subiaco  
Western Australia

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9217 3300***

---

## CONTENTS

---

|    |                                                                  |    |
|----|------------------------------------------------------------------|----|
| 1. | Notice of General Meeting (setting out the proposed Resolutions) | 3  |
| 2. | Explanatory Statement (explaining the proposed Resolutions)      | 8  |
| 3. | Glossary                                                         | 17 |
| 4. | Proxy Form                                                       | 21 |

---

## TIME AND PLACE OF MEETING AND HOW TO VOTE

---

### VENUE

---

The General Meeting of Shareholders to which this Notice of Meeting relates will be held at 10 am (WST) on Wednesday 16 November 2011 at:

Suite 6  
245 Churchill Avenue  
Subiaco  
Western Australia

### YOUR VOTE IS IMPORTANT

---

The business of the General Meeting affects your shareholding and your vote is important.

### VOTING IN PERSON

---

To vote in person, attend the General Meeting on the date and at the place set out above.

### VOTING BY PROXY

---

To vote by proxy, please complete and sign the proxy form enclosed and either:

- (a) deliver the proxy form:
  - (i) by hand to the Company's registered office at Suite 6, 245 Churchill Avenue, Subiaco, Western Australia 6008;
  - (ii) by post to PO Box 1273, Subiaco, Western Australia 6904; or
- (b) fax the proxy form to the Company on facsimile number (61 8) 9388 3006;

so that it is received not later than 10 am (WST) on Monday 14 November 2011. Proxy forms received later than this time will be invalid.

**Your proxy form is enclosed after the Explanatory Statement.**

---

## NOTICE OF GENERAL MEETING

---

Notice is hereby given that a General Meeting of Shareholders of TVN Corporation Limited will be held at 10 am (WST) on Wednesday 16 November 2011 at Suite 6, 245 Churchill Avenue, Subiaco, Western Australia.

The Explanatory Statement which accompanies this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 5 pm (WST) on Monday 14 November 2011.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

---

## AGENDA

---

### 1. RESOLUTION 1 – ISSUE OF SHARES TO EMI PARTNERS

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

*"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to allot and issue 5,666,667 Shares to EMI Partners on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by EMI Partners, any associates of EMI Partners and any other person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities), if the Resolution is passed, and 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 – REFRESH CAPACITY TO ISSUE SECURITIES

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval is given for the allotment and issue of 90,000,000 Shares at an issue price of \$0.04 cents each on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates. 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 – GRANT OF OPTIONS AS SUCCESS FEE FOR PLACEMENT

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

*"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for:*

- (i) the Company to grant to Azure Capital Investments Pty Limited, 5,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014 and otherwise on the terms and conditions set out in the Explanatory Statement; and*
- (ii) the Company to grant to DJ Carmichael Pty Ltd, 1,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014 and otherwise on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by Azure Capital Investments Pty Limited and DJ Carmichael Pty Ltd and any other person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities), if the Resolution is passed, and 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 – GRANT OF OPTIONS TO CHRIS MARDON, MANAGING DIRECTOR

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

*"That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 10,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014 to Chris Mardon (or his nominee) and otherwise on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by Chris Mardon (or his nominee) and any of his associates.

Further, a vote must not be cast on Resolution 4 by a member of the Company's key management personnel or a closely related party of the Company's key management personnel (such as close family members and any controlled companies of those persons), acting as proxy, if their appointment does not specify the way the proxy is to vote on Resolution 4.

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 – GRANT OF OPTIONS TO HUGH WARNER, DIRECTOR

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

*"That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 4,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014 to Hugh Warner (or his nominee) and otherwise on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by Hugh Warner (or his nominee) and any of his associates.

Further, a vote must not be cast on Resolution 5 by a member of the Company's key management personnel or a closely related party of the Company's key management personnel (such as close family members and any controlled companies of those persons), acting as proxy, if their appointment does not specify the way the proxy is to vote on Resolution 5.

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.

---

## 6. RESOLUTION 6 – GRANT OF OPTIONS TO GERARD FAHEY, DIRECTOR

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

*"That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 4,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014 to Gerard Fahey (or his nominee) and otherwise on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by Gerard Fahey (or his nominee) and any of his associates.

Further, a vote must not be cast on Resolution 6 by a member of the Company's key management personnel or a closely related party of the Company's key management personnel (such as close family members and any controlled companies of those persons), acting as proxy, if their appointment does not specify the way the proxy is to vote on Resolution 6.

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.

---

## 7. RESOLUTION 7 – GRANT OF OPTIONS TO JAMES THOMPSON, DIRECTOR

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

*"That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 4,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014 to James Thompson (or his nominee) and otherwise on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by James Thompson (or his nominee) and any of his associates.

Further, a vote must not be cast on Resolution 7 by a member of the Company's key management personnel or a closely related party of the Company's key management personnel (such as close family members and any controlled companies of those persons), acting as proxy, if their appointment does not specify the way the proxy is to vote on Resolution 7.

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.

---

## 8. RESOLUTION 8 – GRANT OF OPTIONS TO EMPLOYEES AND CONSULTANTS

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

*"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to grant up to 20,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014 to employees of, and consultants to, the Company and otherwise on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed grant of Options, and any other person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities), if the Resolution is passed, and any associates of those persons.

Further, a vote must not be cast on Resolution 8 by a member of the Company's key management personnel or a closely related party of the Company's key management personnel (such as close family members and any controlled companies of those persons), acting as proxy, if their appointment does not specify the way the proxy is to vote on Resolution 8.

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.

---

**9. RESOLUTION 9 – CHANGE OF COMPANY NAME TO MODUN RESOURCES LTD**

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

*"That the name of the Company be changed from TVN Corporation Limited to Modun Resources Ltd."*

**DATED: This 12th day of October 2011**

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read 'Neil Hackett', written in a cursive style.

**NEIL HACKETT  
COMPANY SECRETARY**

---

## EXPLANATORY STATEMENT

---

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of General Meeting of TVN Corporation Limited.

---

### 1. OVERVIEW OF ACQUISITION OF THE NUURST THERMAL COAL PROJECT

#### Overview

As announced to ASX on 24 June 2011, the Company entered into an exclusive option agreement (**Option Agreement**) to purchase the Nuurst Thermal Coal Project in central Mongolia.

The Nuurst Thermal Coal Project is a minerals exploration licence (No. 8159X) of approximately 3,451 hectares covering the northern end of the greater Tsaidam coal deposit in central Mongolia. Historical exploration work has identified that the exploration licence covers 11 km strike length of coal bearing strata. Drilling and past mining activities in the area suggest a significant area of coal mineralization may exist in the area the subject of the exploration licence.

The Company exercised its option to purchase the Nuurst Thermal Coal Project and, as announced to ASX on 7 October 2011, has now completed the acquisition of the Project. The transfer of the exploration licence has been formally completed by the Mongolian authorities and the Company has paid the final instalment of the purchase price, being US\$1,350,000, in addition to the deposit of US\$150,000. The exploration licence has been registered in the name of the Company's newly incorporated Mongolian subsidiary, Modun Resources LLC.

#### Funding for the Nuurst Thermal Coal Project and other purposes

On 16 August 2011 the Company announced that it had placed 90,000,000 Shares at \$0.04 per Share to sophisticated investors, raising \$3,600,000 ("**Placement**").

The Placement was undertaken to provide funds to accelerate exploration activities in Mongolia, to fund the delineation of a JORC reportable Mineral Resource at the Nuurst Thermal Coal Project, to provide further funding to review the acquisition of further coking and thermal coal opportunities in Mongolia and for general working capital purposes.

Azure Capital Limited acted as lead manager to the Placement and was assisted by DJ Carmichael Pty Ltd.

The Company has agreed, subject to shareholder approval, to issue up to 6,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014 to Azure Capital Investments Pty Ltd (a company controlled by Azure Capital Limited) and DJ Carmichael Pty Ltd as a success fee for assisting with the successful completion of the Placement.

---

### 2. RESOLUTION 1 – ISSUE OF SHARES TO EMI PARTNERS

#### Background

The Company has entered into an agreement (**EMI Agreement**) with EMI Partners, an entity based in Mongolia, under which EMI Partners has agreed to identify mineral exploration, production and other projects in Mongolia, introduce the Company to the owners of such projects and assist the Company to negotiate the terms and conditions



of any acquisition agreement in respect of such projects. In consideration, the Company has agreed to pay an introduction fee to EMI Partners in relation to any projects that are acquired by it.

The Nuurst Thermal Coal Project was identified, and the owners introduced to the Company, in accordance with the EMI Agreement. The Company proposes to issue 5,666,667 Shares to EMI Partners in satisfaction of its obligations to pay an introduction fee under the EMI Agreement.

EMI Partners are not related or associated with the Vendors of the Nuurst Thermal Coal Project.

### **Why Shareholder approval is being sought - ASX Listing Rule 7.1**

ASX Listing Rule 7.1 provides that without shareholder approval a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights of conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

Resolution 1 seeks Shareholder approval for the allotment and issue of 5,666,667 Shares to EMI Partners.

The effect of passing Resolution 1 will be to provide the Directors with authority to issue the Shares to EMI Partners during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's annual 15% placement capacity.

### **Information required by ASX Listing Rules**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Shares to be issued to EMI Partners:

- (a) the maximum number of securities to be issued is 5,666,667 Shares;
- (b) the Shares will be issued for nil cash consideration (but in satisfaction of the Company's obligations under the EMI Agreement to pay an introduction fee to EMI Partners);
- (c) the Shares will be allotted and issued as soon as possible after the date this Resolution is passed and in any event no later than three (3) months after the date of the General 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 on the same date;
- (d) the Shares are to be issued to EMI Partners as soon as possible after the date this Resolution is passed. EMI Partners is not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company and will rank equally with the Company's current issued Shares;
- (f) no funds will be raised from the issue of the Shares as they are being issued by the Company in order to fulfil its obligations under the EMI Agreement to pay an introduction fee to EMI Partners in consideration of EMI Partners identifying, and introducing the owners of, the Nuurst Thermal Coal Project to the Company; and
- (g) a voting exclusion statement is included in the Notice of Meeting.

The Directors recommend that Shareholders vote in favour of Resolution 1.

---

## **RESOLUTION 2 – REFRESH CAPACITY TO ISSUE SECURITIES**

### **Background**

On 16 August 2011 the Company announced that it had placed 90,000,000 Shares at \$0.04 per Share to sophisticated investors, raising \$3,600,000.

The subscribers to this Placement were not related parties of the Company.

### **Why Shareholder approval is being sought - ASX Listing Rule 7.4**

ASX Listing Rule 7.4 provides that an issue of securities made without shareholder approval under ASX Listing Rule 7.1 (see explanation above) is treated as having been made with shareholder approval for the purpose of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 and shareholders subsequently approve it.

The issue of 90,000,000 Shares under the Placement did not breach ASX Listing Rule 7.1 and has not previously been approved by Shareholders.

The Company now seeks Shareholder approval for the issue of the 90,000,000 Shares under the Placement pursuant to ASX Listing Rule 7.4. The effect of passing the Resolution will be to refresh the Company's 15% capacity under ASX Listing Rule 7.1 so that its capacity will be the same as if the 90,000,000 Shares the subject of the Placement had not been issued.

### **Information required by ASX Listing Rules**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the approval to the Placement under ASX Listing Rule 7.4:

- (a) 90,000,000 Shares were allotted;
- (b) the Shares were issued at \$0.04 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were allotted and issued to sophisticated investor clients of Azure Capital Limited and DJ Carmichael Pty Ltd;
- (e) the funds raised from this issue were used to accelerate exploration activities in Mongolia, to fund the delineation of a JORC reportable Mineral Resource at the Nuurst Thermal Coal Project, to provide further funding to review the acquisition of further coking and thermal coal opportunities in Mongolia and for general working capital; and
- (f) a voting exclusion statement is included in the Notice of Meeting.

The Directors recommend that Shareholders vote in favour of Resolution 2.

---

## **RESOLUTION 3 – GRANT OF OPTIONS AS SUCCESS FEE FOR PLACEMENT**

### **Background**

Azure Capital Limited acted as lead manager to the recent Placement of 90,000,000 Shares and was assisted by DJ Carmichael Pty Ltd.

The Company has agreed, subject to shareholder approval, to issue up to 6,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014 to Azure Capital Investments Pty Ltd (a company controlled by Azure Capital Limited) and DJ Carmichael Pty Ltd as a success fee for assisting with the successful completion of the Placement.

### **Why Shareholder approval is being sought - ASX Listing Rule 7.1**

Resolution 3 seeks Shareholder approval for the grant of:

- (a) 5,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014 to Azure Capital Investments Pty Ltd; and
- (b) 1,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014 to DJ Carmichael Pty Ltd.

None of Azure Capital Investments Pty Ltd, Azure Capital Limited or DJ Carmichael Pty Ltd are related parties of the Company.

A summary of ASX Listing Rule 7.1 is set out in the explanation regarding Resolution 1 above.

The effect of passing Resolution 3 will be to allow the Directors to grant the Options during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

### **Information required by ASX Listing Rules**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Options to be granted to Azure Capital Investments Pty Ltd and DJ Carmichael Pty Ltd:

- (a) the maximum number of Options to be granted is 5,000,000 to Azure Capital Investments Pty Ltd and 1,000,000 to DJ Carmichael Pty Ltd;
- (b) the Options will be issued no later than 3 months after the date of the General 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 on the same date;
- (c) the Options will be granted for nil cash consideration;
- (d) the Options will be granted to Azure Capital Investments Pty Ltd and DJ Carmichael Pty Ltd;
- (e) the Options will be granted on the terms and conditions set out in Schedule 1;
- (f) no funds will be raised from the grant of the Options; and
- (g) a voting exclusion statement is included in the Notice of Meeting.

The Directors recommend that Shareholders vote in favour of Resolution 3.

---

## **RESOLUTIONS 4, 5, 6 AND 7 – GRANT OF OPTIONS TO DIRECTORS: CHRIS MARDON, HUGH WARNER, GERARD FAHEY AND JAMES THOMPSON**

### **Background**

The Company has agreed, subject to obtaining Shareholder approval, to grant a total of 22,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014 to Chris Mardon, Hugh Warner, Gerard Fahey and James Thompson (or their nominees) (**Related Parties**) on the terms and conditions set out below.

### **Why Shareholder approval is being sought - Chapter 2E of the Corporations Act and ASX Listing Rule 10.11**

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, the public company or entity must:

- (i) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (ii) 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.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

The grant of the Options to the Related Parties requires the Company to obtain Shareholder approval because the grant of Options constitutes giving a financial benefit and the Directors, namely Messrs Mardon, Warner, Fahey and Thompson are related parties of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of the Options to the Related Parties.

### **Information required by Chapter 2E of the Corporations Act and ASX Listing Rules**

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Options to the Related Parties:

- (a) the related parties are Messrs Mardon, Warner, Fahey and Thompson and they are related parties by virtue of being Directors;
- (b) the maximum number of Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is set out in the table below:

| <b>Related Party</b>  | <b>Options</b> |
|-----------------------|----------------|
| <b>Chris Mardon</b>   | 10,000,000     |
| <b>Hugh Warner</b>    | 4,000,000      |
| <b>Gerard Fahey</b>   | 4,000,000      |
| <b>James Thompson</b> | 4,000,000      |

- (c) the Options will be granted to the Related Parties no later than 1 month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Options will be issued on one date;
- (d) the Options will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Options are set out in Schedule 1;
- (f) a valuation of the Options is set out in Schedule 2;
- (g) the relevant interests of the Related Parties in securities of the Company are set out below;

| Related Party         | Shares     | Options                                                                                                                                                                                                                                                            |
|-----------------------|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Chris Mardon</b>   | 8,000,000  | 10,000,000 options exercisable at 2 cents and expiring 30/9/12<br>5,000,000 options exercisable at 2 cents and expiring 30/9/12<br>10,000,000 options exercisable at 2 cents and expiring 30/9/12<br>8,000,000 options exercisable at 1 cent and expiring 31/12/11 |
| <b>Hugh Warner</b>    | 70,205,528 | 0                                                                                                                                                                                                                                                                  |
| <b>Gerard Fahey</b>   | 2,000,000  | 2,000,000 options exercisable at 1 cent and expiring 31/12/11<br>3,000,000 options exercisable at 2 cents and expiring 30/9/12                                                                                                                                     |
| <b>James Thompson</b> | 35,000,000 | 5,000,000 1 cent options expiring 31/12/11<br>3,000,000 2 cent options expiring 30/09/12                                                                                                                                                                           |

- (h) the remuneration and emoluments from the Company to the Related Parties for both the current financial year and previous financial year are set out below:

| Related Party         | Current Financial Year | Previous Financial Year |
|-----------------------|------------------------|-------------------------|
| <b>Chris Mardon</b>   | 260,799                | 246,238                 |
| <b>Hugh Warner</b>    | 77,707                 | 15,581                  |
| <b>Gerard Fahey</b>   | 35,707                 | 37,685                  |
| <b>James Thompson</b> | 15,326                 | -                       |

- (i) if the Options granted to the Related Parties are exercised, a total of 22,000,000 Shares would be allotted and issued. This will increase the number of Shares on issue from 691,901,442 to 713,901,442 (assuming that no other Options are exercised and no other Shares issued) with the

effect that the shareholding of existing Shareholders would be diluted as follows:

| <b>Related Party</b>  | <b>Issued Shares as at the date of this Notice of Meeting</b> | <b>Options to be issued</b> | <b>Issued Shares upon exercise of all Options</b> | <b>Dilutionary effect upon exercise of Options</b> |
|-----------------------|---------------------------------------------------------------|-----------------------------|---------------------------------------------------|----------------------------------------------------|
| <b>Chris Mardon</b>   | 691,901,442                                                   | 10,000,000                  | 10,000,000                                        | 1.42%                                              |
| <b>Hugh Warner</b>    | 691,901,442                                                   | 4,000,000                   | 4,000,000                                         | 0.57%                                              |
| <b>Gerry Fahey</b>    | 691,901,442                                                   | 4,000,000                   | 4,000,000                                         | 0.57%                                              |
| <b>James Thompson</b> | 691,901,442                                                   | 4,000,000                   | 4,000,000                                         | 0.57%                                              |
| <b>TOTAL</b>          | 713,901,442                                                   | <b>22,000,000</b>           | <b>22,000,000</b>                                 | <b>3.08%</b>                                       |

the market price for Shares during the term of the Options would normally determine whether or not the Options are exercised. If, at any time any of the Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Options, there may be a perceived cost to the Company.

- (j) the trading history of the Shares on ASX in the 12 months before the date of this Notice of General Meeting is set out below:

|         | <b>Price</b> | <b>Date</b> |
|---------|--------------|-------------|
| Highest | 0.07         | 15/7/11     |
| Lowest  | 0.007        | 1/3/11      |
| Last    | 0.046        | 28/9/11     |

- (k) the primary purpose of the grant of the Options to the Related Parties is to provide cost effective consideration to the Related Parties for their ongoing commitment and contribution to the Company in their respective roles as Directors. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Options upon the terms proposed;
- (l) the Board acknowledges the grant of Options to Gerard Fahey and Hugh Warner is contrary to Recommendation 8.3 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the grant of Options to Gerard Fahey and Hugh Warner reasonable in the circumstances, given the necessity to attract the highest calibre of professionals to the Board, whilst maintaining the Company's cash reserves. While James Thompson was previously a non-executive Director, the Board now considers him to be an executive Director;
- (m) The Directors decline to make a recommendation to Shareholders in relation to Resolutions 4, 5, 6 and 7 where they have a material personal interest in the outcome of the Resolutions. The other Directors, who do not have a material interest in the outcome of Resolutions 4, 5, 6 and 7 recommend that Shareholders vote in favour of Resolutions 4, 5, 6 and 7.

The reason that each of those Directors' (who do not have a material personal interest) make the recommendation in favour of Resolutions 4, 5, 6 and 7 is because they consider that the grant of Options to the Related Parties will enable the Company to retain the relevant Director without paying that Director additional cash, which the Company would need to do if the Options are not granted. The grant of the Options is also a means of acknowledging the ongoing commitment and contribution of the Related Parties' to the Company. The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 4, 5, 6, and 7;

- (n) Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of Options (and the issue of Shares upon the exercise of the Options) to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1; and
- (o) voting exclusion statements are included in the Notice of Meeting.

---

## **RESOLUTION 8 – GRANT OF OPTIONS TO EMPLOYEES AND CONSULTANTS**

### **Background**

Resolution 8 seeks Shareholder approval for the grant of 20,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014.

It is the intention of the Directors to grant these Options to:

- (a) senior management and staff, as part of the Company's long term incentive and staff retention plan; and
- (b) consultants to the Company, as an incentive to assist in the hopefully successful exploration and development of the Nuurst Thermal Coal Project.

The intended recipient's of the Options are:

| <b>Name</b>                                                                             | <b>Number of Options</b> |
|-----------------------------------------------------------------------------------------|--------------------------|
| Neil Hackett or his nominee (Company Secretary - Consultant)                            | 4,000,000                |
| Daniel Rohr or his nominee (Chief Financial Officer - Consultant)                       | 4,000,000                |
| Yet to be appointed (future employees and consultants)                                  | 12,000,000               |
| None of the persons who may be granted such Options are related parties of the Company. |                          |

### **Why Shareholder approval is being sought - ASX Listing Rule 7.1**

A summary of ASX Listing Rule 7.1 is set out in the explanation regarding Resolution 1 above.

The effect of Resolution 8 will be to allow the Directors to grant the Options during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

## Information required by ASX Listing Rules

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Options to be granted to employees and consultants of the Company:

- (i) the maximum number of Options to be granted is 20,000,000 Options exercisable at 10 cents per option expiring on 31 December 2014;
- (ii) the Options will be issued no later than 3 months after the date of the General 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 on the same date;
- (iii) the Options will be granted for nil cash consideration;
- (iv) the Options will be granted to employees of, and consultants to, the Company;
- (v) the Options will be granted on the terms and conditions set out in Schedule 1;
- (vi) no funds will be raised from the grant of the Options; and
- (vii) a voting exclusion statement is included in the Notice of Meeting.

The Directors recommend that Shareholders vote in favour of Resolution 8.

---

## RESOLUTION 9 - APPROVAL OF COMPANY NAME CHANGE (SPECIAL RESOLUTION)

The Company proposes to change its name from TVN Corporation Limited to Modun Resources Ltd in order to better represent the nature of the Company's activities. The change of name reflects that the Company is now the holding entity for Mongolian coal interests and is actively engaged in the pursuit of domestic and international resource opportunities.

The Board believes that the name change is in the best interests of the Company by establishment of an identity and branding distinguished from the previous businesses of the Company.

Change of the Company's name may change the ASX symbol. This will be notified to Shareholders pending approval from ASX.

The Directors recommend that Shareholders vote in favour of Resolution 9.



---

## GLOSSARY

---

**ASX** means Australian Stock Exchange Limited (ABN 98 008 624 691).

**ASX Listing Rules** or **Listing Rules** means the listing rules of ASX.

**Board** means the board of directors of the Company.

**Company** or **TVN** means TVN Corporation Limited (ABN 95 066 139 991).

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

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

**EMI Agreement** means the agreement between the Company, EMI Partners and others

**EMI Partners** means EMI Partners BBN of care of Ochir Building, Peace Avenue 15A/5, Ulaanbaatar, Mongolia.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**General Meeting** or **Meeting** means the meeting convened by the Notice.

**Notice** means the notice of meeting accompanying this Explanatory Statement.

**Nuurst Thermal Coal Project or Project** means minerals exploration licence No 8159X covering an area of approximately 3,451 hectares including the northern end of the greater Tsaidam coal deposit in central Mongolia.

**Options** means, as the context requires, any and all of the options to subscribe for Shares in the Company to be granted under Resolutions 3, 4, 5, 6, 7 and 8 which options are exercisable at any time up until 5 pm (AEST) on 31 December 2014 at 10 cents per option and otherwise on the terms and conditions set out in Schedule 1.

**Option Agreement** means the agreement dated 23 June 2011 between the Company, Li Yunlong (a Chinese citizen) and Eastresources LLC (a limited liability company incorporated under the laws of Mongolia) under which the Company was given an exclusive option to acquire the Nuurst Thermal Coal Project.

**Resolution** means a resolution contained in the Notice.

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

**Shareholder** means a holder of Shares.

**WST** means Western Standard Time.

**\$** means Australian dollars.

---

### 3. SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Option holder the right to subscribe for one (1) Share. To obtain the right given by each Option, the Option holder must exercise the Options in accordance with these terms and conditions.
- (b) The Options will expire at 5:00pm (AEST) on 31 December 2014 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be \$0.10 (**Exercise Price**).
- (d) The Options may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (e) Option holders may exercise their Options by lodging with the Company, before the Expiry Date:
  - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
  - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;

**(Exercise Notice).**

- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) The Options are freely transferable.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (j) The Company will not apply for quotation of the Options on ASX. However, the Company may apply for quotation of all Shares allotted pursuant to the exercise of the Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of the Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Options and the Option holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give the Option holder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.

- (m) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the exercise price of the Options may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (n) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issues of the Options, the number of securities over which an Option is exercisable may be increased by the number of securities which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.

#### 4. SCHEDULE 2 – VALUATION OF OPTIONS TO BE GRANTED TO RELATED PARTIES

The Options to be granted to the Related Parties pursuant to Resolutions 4, 5, 6 and 7 have been valued by internal management.

Using the theoretical Black & Scholes option model and based on the assumptions set out below, the Options were ascribed a value range, as follows:

|                                    |                   |            |  |
|------------------------------------|-------------------|------------|--|
| <b>Assumptions:</b>                |                   |            |  |
| Valuation date                     | 28 September 2011 |            |  |
| Market price of Shares             | 4.3 cents         |            |  |
| Exercise price                     | 10.0 cents        |            |  |
| Expiry date                        | 31 December 2014  |            |  |
| Risk free interest rate            | 3.70%             |            |  |
| Volatility                         |                   | 1.484      |  |
| <b>Indicative value per Option</b> |                   | 3.68 cents |  |
| <b>Total Value of Options</b>      |                   | \$809,600  |  |
|                                    |                   |            |  |
|                                    |                   |            |  |
|                                    |                   |            |  |
|                                    |                   |            |  |

Note: The valuation ranges noted above are not necessarily the market prices that the Options could be traded at and they are not automatically the market prices for taxation purposes.

# TVN Corporation Limited

ACN 066 139 991

## Proxy Form

### STEP 1: APPOINT A PROXY TO VOTE ON YOUR BEHALF

Full name of security holder(s):.....

Address:.....

I/We being a member/s of TVN Corporation Limited (ACN 066 139 991) ("**Company**") and entitled to attend and vote at the meeting of the Company to be held at 10am (WST) on Wednesday 16 November 2011 appoint:

☐

the Chairman of the meeting.

OR

☐

(mark box)

(mark box)

.....  
(Full name of proxy or the office of the proxy)

or if the person or body corporate named above fails to attend the meeting, or if no person/body corporate is named, the Chairman of the meeting as my/our proxy to attend that meeting and vote on my/our behalf at that meeting and any adjournment or postponement of that meeting in accordance with the following directions (or if no directions have been given, as the proxy sees fit). If two proxies are appointed, the proportion of voting rights this proxy represents is .....%.

### IMPORTANT: Directing the Chairman how to vote on Resolutions 4, 5, 6, 7 and 8.

☐

If the Chairman of the meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote on Resolutions 4, 5, 6, 7 and 8, please place a mark in the box.

By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy even though Resolutions 4, 5, 6, 7 and 8 are connected directly or indirectly with the remuneration of a member of the key management personnel of the Company or, the Chairman has an interest in the outcome of those Resolutions and that votes cast by the Chairman of the meeting for any of those Resolutions other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote on any of Resolutions 4, 5, 6, 7 and 8, the Chairman will not cast your votes on those Resolutions and your votes will not be counted in calculating the required majority if a poll is called on those Resolutions.

The Chairman intends to vote undirected proxies in favour of all agenda items.

### STEP 2: VOTING DIRECTIONS ON ITEMS OF BUSINESS

I direct that my proxy vote in the following manner (please mark relevant boxes with (✕) to indicate your directions):

| Resolution |                                               | For                      | Against                  | Abstain*                 |
|------------|-----------------------------------------------|--------------------------|--------------------------|--------------------------|
| 1          | Issue of Shares to EMI Partners               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2          | Refresh capacity to issue securities          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3          | Grant of Options as success fee for Placement | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

|        |                                               |                          |                          |                          |
|--------|-----------------------------------------------|--------------------------|--------------------------|--------------------------|
| 4      | Grant of Options to Chris Mardon              | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5      | Grant of Options to Hugh Warner               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6      | Grant of Options to Gerard Fahey              | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7      | Grant of Options to James Thompson            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8      | Grant of Options to Employees and Consultants | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9 (SR) | Change of Name to Modun Resources Ltd         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

\* Please note if you mark **abstain**, you are directing your proxy not to vote on that Resolution.

### STEP 3: SIGNATURE OF SECURITYHOLDER(S)

|       |                                          |                  |                            |
|-------|------------------------------------------|------------------|----------------------------|
|       | Individual or Securityholder 1           | Securityholder 2 | Securityholder 3           |
|       |                                          |                  |                            |
|       | Sole Director and Sole Company Secretary | Director         | Director/Company Secretary |
| Date: | / /                                      | / /              | / /                        |

In addition to signing this Proxy Form, please provide the following information in case we need to contact you:

|              |  |                           |  |
|--------------|--|---------------------------|--|
| Contact name |  | Contact daytime telephone |  |
|--------------|--|---------------------------|--|

### STEP 4: LODGING YOUR PROXY FORM

You must lodge your Proxy Form by 10am (WST) on Monday 14 November 2011. Please read carefully and follow the instructions overleaf.

## How to complete this Proxy Form

For your proxy vote to be effective, your completed Proxy Form must be received by 10am (WST) on Monday 14 November 2011.

### Step 1: Appointing a proxy

If you are entitled to attend and vote at the meeting, you may appoint a proxy to attend the meeting and vote on your behalf. A proxy can be an individual or a body corporate and need not be a securityholder. You may select the Chairman of the meeting as your proxy.

**Appointing a second proxy:** You can appoint up to two proxies. If you appoint two proxies, you must specify the proportion or number of votes each proxy may exercise. If no percentage is specified, each proxy may exercise half of your votes. Fractions of votes will be disregarded. A separate Proxy Form must be used for each proxy.

**Default to the Chairman of the meeting:** Any directed proxies that are not voted on a poll at the meeting will automatically default to the Chairman of the meeting, who is required to vote those proxies as directed.

**Proxy voting by key management personnel:** The key management personnel of TVN Corporation Limited (which includes each of the Directors, all those executives named in the Company's 2011 Remuneration Report and any other persons who are key management personnel of the Company at the date of the meeting) and their closely related parties will not be able to vote as your proxy on Resolutions 4, 5, 6, 7 and 8, unless you direct them how to vote. If you intend:

- (a) to appoint a member of the key management personnel or one of their closely related parties as your proxy, please ensure that you direct them how to vote on each of Resolutions 4, 5, 6, 7 and 8; or
- (b) to appoint the Chairman of the meeting as your proxy, you can direct him how to vote by either marking the boxes for items 4, 5, 6, 7 and 8 (for example if you wish to vote against or abstain from voting) or by marking the Chairman's box on the proxy form (in which case the Chairman of the meeting will vote in favour of those Resolutions).

**Additional Proxy Forms:** You can obtain additional Proxy Forms by telephoning the Company or you may copy this Form. Please lodge both Proxy Forms together.

### Step 2: Voting directions

You may direct your proxy how to vote by placing a mark (✕) in one of the boxes opposite each item of business. All your securities will be voted in accordance with your directions. If you mark the "Abstain" box for an item, you are directing your proxy not to vote on that item. If you mark more than one box for an item, your vote on that item will be invalid.

**Voting a portion of your holding:** You may indicate that only a portion of your voting rights are to be voted on any item by inserting a percentage or the number of securities you wish to vote in the appropriate box or boxes. The total of votes cast, or the percentage for or against, an item must not exceed your voting entitlement or 100%.

**No directions:** If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses.

### Step 3: Signing instructions

**Individual:** The Proxy Form must be signed by the securityholder personally or by Power of Attorney (see below).

**Joint holding:** The Proxy Form must be signed by each of the joint securityholders personally or by Power of Attorney (see below).

**Power of Attorney:** To sign under Power of Attorney, you must have already lodged the Power of Attorney with the Company. If you have not previously lodged that document, please attach a certified copy of the Power of Attorney to this Proxy Form when you return it.

**Companies:** For a corporate securityholder, if the company has a sole director who is also the sole company secretary, that person must sign this Proxy Form. If the company does not have a company secretary (under section 204A of the Corporations Act 2001 ("**Act**")), its sole director must sign this Proxy Form. Otherwise, a director must sign jointly with either another director or a company secretary in accordance with section 127 of Act. Please indicate the office held by signing in the appropriate place.

**Corporate representative:** If a representative of a corporate securityholder or proxy is to attend the meeting, the appropriate *Certificate of appointment of Corporate Representative* must be produced before the meeting. A form of the certificate may be obtained by telephoning the Company.

#### **Step 4: Lodging your Proxy Form**

This Proxy Form must be received by TNV Corporation Limited by 10am (WST) on Monday 14 November 2011. Any Proxy Form received after that time will not be effective for the meeting. You can return this Proxy Form (and any Power of Attorney under which it is signed):

- **by post** to TVN Corporation Limited at PO Box 1273, Subiaco, Western Australia 6904;
- **by facsimile** to TVN Corporation Limited on (61 8) 9388 3006; or
- **by hand delivery** to Suite 6, 245 Churchill Avenue, Subiaco, Western Australia, 6008.