



MIRABELA NICKEL
LTD

ABN 23 108 161 593

Notice of Meeting

AND

Explanatory Memorandum

in respect of the

Annual General Meeting of Shareholders

to be held at 9:00am (Perth Time) on Tuesday 26 August 2014
at Level 31, Allendale Square, 77 St Georges Terrace, Perth, Western Australia

As at and dated 21 July 2014

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

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Notice of Meeting

NOTICE IS GIVEN that the annual general meeting (**Meeting**) of holders of ordinary shares (**Shareholders**) of Mirabela Nickel Limited ABN 23 108 161 593 (**Company**) will be held at Level 31 Allendale Square, 77 St Georges Terrace, Perth 6000, Western Australia on **Tuesday 26 August 2014 at 9:00 am (Perth time)** for the purpose of transacting the following business.

Please refer to the Glossary of Terms for definitions of capitalised terms not separately defined within the body of this Notice and Explanatory Memorandum.

1. Annual Financial Report

To receive the Company's Annual Financial Report for 2013, comprising audited consolidated financial statements of the Company, the Deed Administrators' report and the Auditor's report for the financial year ended 31 December 2013.

2. Resolution 1 – Adoption of Remuneration Report (non-binding)

To consider and, if thought fit, to pass the following resolution as a **non-binding resolution** in accordance with section 250R(2) of the *Corporations Act 2001 (Cth)* (**Corporations Act**):

"That the Remuneration Report for the financial year ended 31 December 2013, as set out in the 2013 Annual Report of the Company, be adopted."

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of the person who is otherwise excluded from voting on Resolution 1 as described above, and:

- (a) the person is acting as proxy and the proxy form specifies how the proxy is to vote; or
- (b) the person is the chairman of the Meeting voting an undirected proxy which expressly authorises the chairman of the Meeting to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Election of Mr Richard Newsted as a Director

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

"That Mr Newsted, who retires in accordance with Rule 7.3(g) of the Constitution and being eligible, offers himself for election, is elected as a Director in accordance with Rule 7.3(g) of the Constitution."

4. Resolution 3 – Election of Mr Ross Edward Griffiths as a Director

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

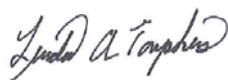
"That Mr Griffiths, who retires in accordance with Rule 7.3(g) of the Constitution and being eligible, offers himself for election, is elected as a Director in accordance with Rule 7.3(g) of the Constitution."

5. Resolution 4 – Election of Mr Mark Francis Milazzo as a Director

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

"That Mr Milazzo, who retires in accordance with Rule 7.3(g) of the Constitution and being eligible, offers himself for election, is elected as a Director in accordance with Rule 7.3(g) of the Constitution."

By Order of the Board of Directors



Linda A Tompkins
Company Secretary
Dated: 21 July 2014

Proxy Appointment and Voting Information

Lodgement of a Proxy Form

If you are a registered Shareholder and are unable to attend the Meeting in person, please date and execute the accompanying Proxy Form and return it in accordance with its instructions prior to **9:00 a.m. (Perth time) on Friday, 22 August 2014** by mail to Advanced Share Registry Ltd, PO Box 1156, Nedlands, Western Australia, 6909; or delivered to Advanced Share Registry Limited, 110 Stirling Highway, Nedlands, Western Australia or by facsimile to Advanced Share Registry Limited at +61 8 9262-3723.

If you are a beneficial Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instructions form in accordance with the instructions provided to you, by your broker, or by another intermediary.

Appointment of a Proxy

A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder of the Company.

If you wish to appoint the chairman of the Meeting as your proxy, mark the box in the Proxy Form. If the person you wish to appoint as your proxy is someone other than the chairman of the Meeting, please write the name of that person in the appropriate box in the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the chairman of the Meeting will be your proxy.

If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the chairman of the Meeting will act in place of the nominated proxy and will vote in accordance with any instructions on the Proxy Form. Proxy appointments in favour of the chairman of the Meeting, the Company Secretary or any Director that do not contain a direction how to vote will be used to support each of the Resolutions proposed in this Notice.

You are entitled to appoint up to two 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 telephoning the Company on +61 8 9324-1177 or you may photocopy the Proxy Form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- 2 directors of the company; or
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary, that director.

Votes on Resolutions

You may direct your proxy how to vote on a Resolution by placing a mark in one of the boxes opposite the Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on the Resolution will be invalid.

Voting Entitlement (Snapshot Date)

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at **5:00pm (Perth time) on Friday, 22 August 2014**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Corporate Representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry, Advanced Share Registry Limited, before the Meeting or at the registration desk on the day of the Meeting.

Explanatory Memorandum

This Explanatory Memorandum is being furnished to Shareholders in connection with the solicitation of proxies by the management of Mirabela Nickel Limited (ABN 23 108 161 593) (**Company**) for use at the Annual General Meeting of the holders of ordinary shares (**Shares**) of the Company (**Shareholders**) to be held at **9:00 a.m. (Perth time)** on **26 August 2014 (Meeting)**, and any adjournment of that Meeting, at the place and for the purposes set forth in the accompanying Notice of Meeting (**Notice**).

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the matters set forth in the Notice attached to this Explanatory Memorandum for approval at the Meeting. The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision regarding the matters set forth in the Notice.

1. Annual Financial Report

The Company's Annual Financial Report for 2013 (**2013 Annual Report**), comprising audited financial statements, Deed Administrators' report and Auditor's report for the financial year ended 31 December 2013, have been mailed to the those Shareholders who requested copies, together with this Explanatory Memorandum. The 2013 Annual Report is available on the Company's website (www.mirabela.com.au), on the ASX website (www.asx.com.au) and on SEDAR (www.sedar.com).

There is no requirement for the Shareholders to approve these reports.

The chairman of the Meeting will allow a reasonable opportunity for Shareholders to ask questions or make comments about the financial statements, Deed Administrators' report and Auditor's report. In accordance with section 250T of the Corporations Act, the chairman of the Meeting will also provide Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the independent audit report;
- the accounting policies adopted by the Company in relation to the preparation of accounts; and
- the independence of the Auditor in relation to the conduct of the audit.

2. Resolution 1 - Adoption of Remuneration Report (non-binding)

Pursuant to sections 249L(2) and 250R(2) of the Corporations Act, the Company submits to Shareholders for consideration and adoption, by way of a non-binding resolution, its remuneration report for the year ended 31 December 2013 (**Remuneration Report**). The Remuneration Report is a distinct section of the Deed Administrators' report (**Deed Administrators' Report**) which deals with the remuneration of Directors and executives of the Company. The Remuneration Report can be found within the Deed Administrators' Report of the 2013 Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out the remuneration details for each Director and executive officer named in the Remuneration Report for the financial year ended 31 December 2013.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Company. Accordingly, failure to pass Resolution 1 will not require the Directors to alter any arrangements mentioned in the Remuneration Report. However, sections 250U and 250V of the Corporations Act give Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the Deed Administrators' Report must stand for re-election ('spill resolution'). The Remuneration Report for the twelve months ended 31 December 2012 received a 'yes' vote of more than 25% at the Company's last annual general meeting held on 30 May 2013.

The chairman of the Meeting will cast all available undirected proxies in favour of Resolution 1 where expressly authorised by the Proxy Form to do so.

3. Resolution 2 – Election of Mr Richard Newsted as a Director

Background

Mr Newsted was appointed to the Board as a non-executive Director of Mirabela on 25 June 2014. Pursuant to Rule 7.3(g) of the Constitution, as a Board appointee, Mr Newsted must retire from the office as of the meeting and is eligible for election. Being eligible, Mr Newsted offers himself for election at the Meeting.

Biography

Mr Richard Newsted – BSc (Accounting), M Bus Admin (Hons) - Non-executive Director

Mr Newsted is a senior executive with over 30 years' experience in senior executive roles within the US automotive and steel industry. Mr Newsted spent over eight years, including four years as President and Chief Executive Officer and four years as Executive Vice President and Chief Financial Officer, with Meridian Automotive Systems Inc., a global tier-one automotive supplier of front and rear-end modules, exterior and interior thermoplastics, composites and lighting systems. Prior to joining Meridian, Mr. Newsted served seven years as Executive Vice President in various finance, manufacturing and commercial capacities at AK Steel Holding Corporation and has also worked in various roles in the finance department at National Steel Corporation, both integrated steel producers. Mr. Newsted currently serves on the Board of Directors of companies, both public and private, in a variety of industries, providing independent counsel and corporate governance expertise. He is currently non-executive chairman of Dayco LLC and Rotech Healthcare Inc. and a non-executive director of NIBCO Inc., Titan Outdoor Holdings LLC, Pacific Crane Maintenance Company LLC, OHH Acquisition Corporation, Allen Systems Group Inc., Revstone Industries LLC, Longview Power LLC, Fresh & Easy Neighborhood Market Inc., United States Steel Canada Inc., and The Greeley Company. Mr Newsted is a Certified Public Accountant, Certified Management Accountant and Certified Cash Manager.

Mr Newsted has been a Non-executive Director of Mirabela since 25 June 2014 and is currently the chairman of the Nomination and Remuneration Committee and a member of the Audit Committee.

Directors' Recommendation

Other than Mr Newsted who has a material personal interest in the outcome of Resolution 2, the Directors unanimously recommend that the Shareholders vote in favour of Resolution 2.

4. Resolution 3 – Election of Mr Ross Edward Griffiths as a Director

Background

Mr Griffiths was appointed to the Board as a non-executive Director of Mirabela on 25 June 2014. Pursuant to Rule 7.3(g) of the Constitution, as a Board appointee, Mr Griffiths must retire from the office as of the meeting and is eligible for election. Being eligible, Mr Griffiths offers himself for election at the Meeting.

Biography

Mr Ross Edward Griffiths – Dip Bus Studies (Accounting), FCA, MBA, MAICD - Non-executive Director

Mr Griffiths is a Chartered Accountant with over 40 years' experience in risk and finance both in Australia and overseas. He has recently retired from a senior executive role with a major Australian bank where he specialised in credit risk including corporate turnaround and debt restructure. Prior to this role, Mr Griffiths

spent 15 years with an international accounting firm in Australia, PNG and Canada. He has had exposure to a wide range of business enterprises including many in the mining industry. Until recently, Mr Griffiths was a Director of the Responsible Entity for two listed property trusts. Mr Griffiths is a Fellow of The Institute of Chartered Accountants in Australia and a member of the Australian Institute of Company Directors.

Mr Griffiths has been a Non-executive Director of Mirabela since 25 June 2014 and is currently the chairman of the Audit Committee and a member of the Nomination and Remuneration Committee.

Directors' Recommendation

Other than Mr Griffiths who has a material personal interest in the outcome of Resolution 3, the Directors unanimously recommend that the Shareholders vote in favour of Resolution 3.

5. Resolution 4 – Election of Mr Mark Francis Milazzo as a Director

Background

Mr Milazzo was appointed to the Board as a non-executive Director of Mirabela on 25 June 2014. Pursuant to Rule 7.3(g) of the Constitution, as a Board appointee, Mr Milazzo must retire from the office as of the meeting and is eligible for election. Being eligible, Mr Milazzo offers himself for election at the Meeting.

Biography

Mr Mark Francis Milazzo – B.Eng Mining, FAusIMM - Non-executive Director

Mr Milazzo is a Mining Engineer with over 30 years' experience in the development and management of mines and mineral processing plants across a range of commodities in Australia and overseas. This includes both underground and surface operations, and covers a wide range of mining applications, from small scale selective to mechanised bulk extraction methods. He has been involved in a number of new mine development and mine expansion projects. Past senior roles include General Manager of the Olympic Dam Mine and Kambalda Nickel Operations with WMC Resources, and General Manager with mining contractor HWE Mining. Mr Milazzo is a Fellow of the Australasian Institute of Mining and Metallurgy and he is also a director of Aurelia Metals Limited and Red 5 Limited.

Mr Milazzo has been a Non-executive Director of Mirabela since 25 June 2014 and is currently a member of the Audit and Nomination and Remuneration Committees of the Board.

Directors' Recommendation

Other than Mr Milazzo who has a material personal interest in the outcome of Resolution 4, the Directors unanimously recommend that the Shareholders vote in favour of Resolution 4.

Disclosure Required by Canadian National Instrument 71-102

While none of the securities of the Company are listed on any Canadian stock exchange, the Company nevertheless remains a "reporting issuer" subject to the securities laws of certain provinces of Canada, including disclosure requirements relating to proxies, notices of shareholder meetings and disclosure in connection with those meetings. However, the Company currently has the status of a "designated foreign issuer" as such term is defined by Canadian National Instrument 71-102. As such, the Company is exempt from certain requirements otherwise imposed on reporting issuers in Canada, including proxies, notices of shareholder meetings and disclosure in connection with those meetings, provided generally that the Company complies with the relevant foreign disclosure requirements of an approved foreign jurisdiction. The Company is subject to the foreign regulatory requirements of the ASX and the Australian Securities & Investments Commission.

Canadian shareholders are cautioned that the disclosures contained in this Notice of Meeting and Explanatory Memorandum may not be comparable to what would otherwise be disclosed by reporting issuers that are not designated foreign issuers.

Glossary of Terms

In this Notice and Explanatory Memorandum:

Auditor means the auditor of the Company from time to time, being at the date of this Notice, KPMG.

ASX means ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Board means the board of Directors.

Closely Related Party has same meaning as the definition of that term in section 9 of the Corporations Act, being, in relation to a member of Key Management Personnel:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Company means Mirabela Nickel Ltd (ABN 23 108 161 593).

Company Secretary means the company secretary of the Company from time to time, being at the date of this Notice Dr. Linda A Tompkins.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth) as amended from time to time.

Directors mean the directors of the Company and **Director** means any one of them.

Explanatory Memorandum means the explanatory memorandum attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.

Key Management Personnel has the same meaning as the definition of that term in section 9 of the Corporations Act, being those persons details whose remuneration is included in the Company's annual remuneration report, having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Meeting means the annual general meeting of Shareholders the subject of the Notice.

Notice means the Notice of Annual General Meeting which accompanies this Explanatory Memorandum.

Proxy Form means the form for a Shareholder to appoint a proxy, attached to an accompanying this Notice.

Remuneration Report means the Company's remuneration report for the year ended 31 December 2013.

Resolution means a resolution proposed in this Notice.

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

Shareholder means a holder of Shares.

In this Notice and Explanatory Memorandum words importing the singular include the plural and vice versa.