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**MOUNT MAGNET SOUTH NL**

**ACN 096 635 246**

**NOTICE OF GENERAL MEETING**

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TIME: 2.00pm (WST)

DATE: Tuesday 21 October 2014

PLACE: The Business Centre, Level 1, Suite 5, 55 Salvado Road,  
Subiaco, Western Australia 6008

***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 (+61 8) 9213 8900.***

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## **TIME AND PLACE OF MEETING AND HOW TO VOTE**

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### **VENUE**

The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 2.00pm (WST) on Tuesday, 21 October 2014 at:

The Business Centre, Level 1, Suite 5, 55 Salvado Road  
Subiaco, Western Australia, 6008

### **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 enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act 2001, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company;
- a member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act 2001, each proxy may exercise half of the votes.

In accordance with section 250BA of the Corporations Act 2001, the Company specifies the following information for the purposes of receipt of proxy appointments:

Registered Office:	Level 1, 10 Outram Street West Perth, Western Australia 6005
Facsimile Number:	(61 8) 9213 8901
Email:	<a href="mailto:admin@mountmagnet.com.au">admin@mountmagnet.com.au</a>
Postal Address:	P O Box 946 West Perth, Western Australia 6872

## ATTENDANCE AND VOTING AT THE 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 as shareholders of the Company at 5pm (WST) on 20 October 2014.

If you are not the registered holder of shares at that time, you will not be entitled to vote at the Meeting.

### Proxies

Each member entitled to vote at the Meeting has the right to appoint a proxy to attend and vote at the Meeting on his behalf. The member may specify the way in which the proxy is to vote on each resolution or may allow the proxy to vote at his discretion. The instrument appointing the proxy must be received by the Company at the address specified above at least 48 hours before the time notified for the Meeting (proxy forms can be lodged by facsimile).

**The Meeting Chairman intends to vote all undirected proxies in favour of the (relevant) resolution(s).**

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### A glossary of terms used in this document is as follows:

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

**ASX** means ASX Limited.

**ASX Listing Rules** means the Listing Rules of ASX.

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

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that the ASX declares is not a business day.

**Company** means Mount Magnet South NL (ACN 096 635 246).

**Constitution** means the Company's constitution.

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

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

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

**Notice** or **Notice of Meeting** or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share by payment of the exercise price of \$0.006 each on or before 31 December 2018 and on the further terms and conditions noted in Schedule 1 of the Explanatory Statement.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolutions** means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

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

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

**WST** means Western Standard Time as observed in Perth, Western Australia.

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## NOTICE OF GENERAL MEETING

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Notice is given that a General Meeting of Shareholders will be held at 2.00pm (WST) on Tuesday, 21 October 2014 at The Business Centre, Level 1, Suite 5, 55 Salvado Road, Subiaco, Western Australia.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

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

### AGENDA

#### ORDINARY BUSINESS

##### 1) RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES

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

*"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 80,000,000 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** 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.

##### 2) Resolution 2 – PLACEMENT ISSUE OF SHARES AND OPTIONS

To consider and, if thought fit, to pass 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 issue 60,000,000 Shares and 70,000,000 Options on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on Resolution 2 by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

##### 3) Resolution 3 – AUTHORITY TO ISSUE SECURITIES TO DIRECTOR, A PISMIRIS OR HIS NOMINEE

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

*"That, for the purposes of ASX Listing Rule 10.11, and for all other purposes and subject to the passing of Resolution 2, approval is given for the Company to issue up to 20,000,000 Shares and 10,000,000 free attaching Options to Mr A Pismiris, a Director of the Company (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr A Pismiris (and his nominee) and any of his 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.

**BY ORDER OF THE BOARD**

**SUSMIT SHAH  
COMPANY SECRETARY**

**DATED: 18 September 2014**

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## **EXPLANATORY STATEMENT**

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This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 2.00pm (WST) on Tuesday, 21 October 2014 at The Business Centre, Level 1, Suite 5, 55 Salvado Road, Subiaco, Western Australia.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

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### **1. RESOLUTIONS 1 & 2 - RATIFICATION OF PRIOR ISSUE OF SHARES AND APPROVAL FOR ISSUE OF SHARES AND OPTIONS**

#### **1.1 General**

On 10 September 2014, the Company announced that it had finalised plans for a capital raising comprising the issue of a total of 140 million Shares at \$0.0015 each to raise \$210,000, together with 70 million free attaching Options. For every 2 Shares subscribed, 1 Option will be issued. These Options comprise a new class of security and will be exercisable at \$0.006 each on or before 31 December 2018. The funds raised will supplement the Company's working capital and will be used towards funding tenement holding costs, administration and corporate overheads.

80 million Shares were issued under the 15% placement capacity under the Listing Rules. Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares. By ratifying this issue, the Company will retain flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

The issue of the remaining 60 million Shares and 70 million attaching Options requires prior Shareholder approval and is the subject of Resolution 2.

#### **1.2 Specific information required by ASX Listing Rule 7.4 with respect to Resolution 1**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to ratification of the Share issue under Resolution 1:

- a) 80,000,000 Shares were issued on 18 September 2014;
- b) the Shares were issued at \$0.0015 per Share, for a total cash raising of \$120,000;
- c) the Shares rank equally with quoted Shares in all respects; and
- d) the Shares were issued to clients of Capital investment Partners Pty Ltd, none of whom are related parties of the Company;
- e) the proceeds of the completed Share issue supplement the Company's working capital and will be used towards funding tenement holding costs, administration and corporate overheads.

A voting exclusion statement is included in the Notice.

#### **1.3 Specific information required by ASX Listing Rule 7.3 with respect to Resolution 2**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the placement issue of Shares and Options:

- a) Up to 60,000,000 Shares and 70,000,000 Options will be issued;
- b) The securities will be issued on a progressive basis soon after the Meeting but, in any event, no later than 3 months after the date of the Meeting;
- c) the Shares will be issued at \$0.0015 cents each and the Options will be issued as free attaching options on the basis of 1 Option for every 2 Shares issued. 40,000,000 Options will be issued to the subscribers of the Shares, the subject of Resolution 1, whilst up to 30,000,000 Options will be issued to subscribers of the up to 60,000,000 Shares the subject

of Resolution 2;

- d) the securities will be allotted and issued to clients of Capital Investment Partners Pty Ltd, who are not related parties with the exception of Mr Pismiris (or his nominee), a director of the Company whose participation in the issue requires prior Shareholder approval and is the subject of Resolution 3;
- e) the Shares will rank equally with quoted Shares in all respects. The terms and conditions of the Options to be issued are set out in Schedule 1 to this Explanatory Statement; and
- f) The funds raised from the securities issue will be used for the same purpose as referred to in part 1.2 (e) above.

A voting exclusion statement is included in the Notice.

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## **2. RESOLUTION 3 - AUTHORITY TO ISSUE SECURITIES TO DIRECTOR, A PISMIRIS OR HIS NOMINEE**

### **2.1 General**

Subject to the passing of Resolution 2, Resolution 3 is seeking Shareholder approval for Mr Pismiris's participation in the capital raising the subject of Resolution 2. Mr Pismiris's participation, if approved, shall be on the same terms and conditions as the other participants.

### **ASX Listing Rule 10.11**

ASX Listing Rule 10.11 requires a company to obtain shareholder approval prior to the issue of 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 Company announced on 10 September 2014 that shareholder approval would be sought for Director participation in the capital raising. Mr Pismiris, a Director of the Company, has expressed his intention to participate in the capital raising by subscribing for up to 20,000,000 Shares at an issue price of \$0.0015 each, together with 1 free attaching Option for every 2 Shares subscribed for and issued. Mr Pismiris is a related party within the terms of the ASX Listing Rules. Accordingly, the Company must obtain Shareholder approval pursuant to ASX Listing Rule 10.11.

Approval pursuant to ASX Listing Rule 7.1 is not required as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of securities to Mr Pismiris (or his nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

### **2.2 Technical information required by ASX Listing Rule 10.13**

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to approval for Resolution 3:

- a) Mr Pismiris is a Director of the Company and wishes to participate in the capital raising the subject of Resolution 2;
- b) The maximum number of securities to be issued is up to 20,000,000 Shares and 10,000,000 Options to Mr Pismiris (or his nominee). His subscription will be on the same terms and conditions as other subscribers to the capital raising, the subject of Resolutions 1 and 2.
- c) The Shares and Options will be issued no later than one month after the date of the 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 issue of the securities will occur on the same date;
- d) the issue price will be \$0.0015 per Share, with one free attaching Option for every two Shares subscribed for and issued, being the same as all other Shares and Options issued under the capital raising;
- e) the Shares and Options will be issued on the same terms as referred to in Resolution 2 above; and
- f) The funds raised from the securities issue will be used for the same purpose as referred to in part 1.2 (e) above.

A voting exclusion statement is included in the Notice.

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**SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS THE SUBJECT OF RESOLUTION 2**

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- a) Each Option entitles the holder to subscribe for and be allotted one Share. The exercise price of each Option is \$0.006.
- b) The Options are exercisable at any time prior to 5.00pm WST on 31 December 2018 ("the Expiry Date") by notice in writing to the Directors accompanied by payment of the exercise price as detailed in (a) above.
- c) The Options are transferable, however no application will be made to the ASX for Official Quotation of the Options at this stage.
- d) Shares allotted and issued pursuant to the exercise of an Option will be allotted and issued not more than 10 business days after receipt of a properly executed notice of exercise of the Option and payment of the requisite application moneys.
- e) All Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's fully paid ordinary shares. The Company will apply for Official Quotation by ASX of all Shares issued upon exercise of the Options within three business days after the date of allotment of those Shares.
- f) There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered or made to shareholders during the currency of the Options. However, if required by ASX Listing Rules, the Company will send a notice to each optionholder before the record date for any proposed issue of capital on a pro-rata entitlement offer basis. This will give optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- g) There are no rights to a change in exercise price, or in the number of Shares over which the Options can be exercised, in the event of a bonus issue by the Company prior to the exercise of any Options.
- h) In the event of any reorganisation of the issued capital of the Company on or prior to the Expiry Date, the rights of an optionholder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of the reorganisation.
- i) The Company will, at least 20 business days before the Expiry Date, send notices to the optionholders stating the name of the optionholder, the number of Options held and the number of securities to be issued on exercise of the Options, the exercise price, the due date for payment and the consequences of non-payment.



Completed Proxy can be lodged:

BY MAIL: Level 1, 10 Outram Street  
West Perth, WA 6005  
Or

PO Box 946, West Perth, WA 6872

BY FAX: (61 8) 9213 8901

EMAIL: [admin@mountmagnet.com.au](mailto:admin@mountmagnet.com.au)

For your vote to be effective, the completed proxy form must be received by 2pm (Perth time), Sunday, 19 October 2014

## How to complete the Proxy Form

### 1 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

### 2 Votes on Items of Business

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

### 3 Appointment of a Second Proxy

You are entitled to appoint up to two 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's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

### 4 Signing Instructions

You must sign this form as follows in the spaces provided:

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

**Joint Holding:** where the holding is in more than one name, all of the security holders should sign.

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

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

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

### Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above no later than 48 hours before the time of the General Meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

**STEP 1** **APPOINTMENT OF PROXY**

I/We being a member/s of **Mount Magnet South NL** and entitled to attend and vote hereby appoint

The Chairman  
of the Meeting  
(mark with an "X")

OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding your own name) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of Mount Magnet South NL to be held on 21 October 2014 and at any adjournment of that meeting.

**Chairman authorised to exercise undirected proxies:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on all Resolutions (except where I/we have indicated a different voting intention below) even though the Chairman may have a direct interest in Resolution 3.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on the Resolutions by marking the appropriate box below under **VOTING DIRECTIONS (STEP 2)**.

**STEP 2** **VOTING DIRECTIONS TO YOUR PROXY**

PLEASE MARK ☒ TO INDICATE YOUR DIRECTIONS

For      Against      Abstain\*

Resolution 1 – Ratification of prior issue of Shares

☐      ☐      ☐

Resolution 2 – Approval for placement issue of Shares and Options

☐      ☐      ☐

Resolution 3 – Authority to issue securities to Mr A Pismiris

☐      ☐      ☐

**The Chairman of the Meeting intends to vote all available proxies in favour of each item of business**

\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**SIGN**

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

Individual or Securityholder 1

Sole Director and  
Sole Company Secretary  
Dated: \_\_\_\_ / \_\_\_\_ / 2014

Securityholder 2

Director

Securityholder 3

Director/Company Secretary