
GLOBAL METALS EXPLORATION NL

ABN 23 124 140 889

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

TIME: 4:30pm WST

DATE: Wednesday, 6 May 2015

PLACE: RM Capital Pty Ltd
Level 1, 143 Hay Street
Subiaco WA 6008

This Notice of Meeting and Explanatory Statement 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 (02) 8249 8284.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of Global Metals Exploration NL which this Notice of Meeting relates to will be held at 4:30pm WST on Wednesday, 6 May 2015 at **RM Capital Pty Ltd, Level 1, 143 Hay Street, Subiaco WA 6008**.

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

To vote in person, attend the Annual 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.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all 'directed' proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
 - if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
 - if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
-

TIME AND PLACE OF MEETING AND HOW TO VOTE

- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Global Metals Exploration NL will be held at 4:30pm WST on Wednesday, 6 May 2015 at **RM Capital Pty Ltd, Level 1, 143 Hay Street, Subiaco WA 6008**.

The Explanatory Statement annexed to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the proxy form are 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 Annual General Meeting are those who are registered Shareholders at the close of business on 4 May 2015.

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

AGENDA

REPORTS AND ACCOUNTS

To receive the financial report of the Company for the year ended 30 June 2014, together with the Directors' report and the auditor's report.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

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

"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2014."

Short Explanation: The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company's annual general meeting.

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this Resolution if:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (b) the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

RESOLUTION 2 – RE-ELECTION OF MR STEVEN BAMFORD

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

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"That, Mr Steven Bamford, being a Director, retires in accordance with clause 11.3 of the Constitution and, being eligible for re-election, is hereby re-elected as a Director."

RESOLUTION 3 – ISSUE OF SECURITIES TO CREDITORS

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue and allot Shares up to that number of shares, when multiplied by the issue price, has a value of \$200,000, to the Company's creditors, or their nominees, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 3 by the creditors who are the subject of Resolution 3, their nominees, and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 3 is passed and any associate 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.

RESOLUTION 4 - ISSUE OF CONVERTIBLE NOTES TO RM CORPORATE FINANCE

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue Convertible Notes with an aggregate face value of up to \$2,500,000 to RM Corporate Finance and/or their nominee(s), and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 4 by RM Corporate Finance, their nominees, and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 4 is passed and any associate 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.

RESOLUTION 5 - PLACEMENT OF SHARES AND OPTIONS

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue and allot Shares up to that number of shares, when multiplied by the issue price, has a value of \$600,000, along with one New Option for every Share issued, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 5 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 5 is passed and any associate 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

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decides.

RESOLUTION 6 – APPROVAL FOR ADDITIONAL PLACEMENT CAPACITY

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

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue and allotment of Equity Securities totaling up to 10% of the number of ordinary Shares on issue by way of placements over a 12 month period, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2; and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast on Resolution 6 by any person who may participate in the proposed issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 6 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.

RESOLUTION 7 – ISSUE OF SECURITIES TO RM CORPORATE FINANCE IN RESPECT OF QUARTERLY DEBT FINANCING AGREEMENT FEE

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue and allot shares up to that number of Shares, when multiplied by the issue price, has a value of \$36,000, along with one New Option for every two shares issued, to RM Corporate Finance and/or their nominee(s), on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 7 by RM Corporate Finance, their nominees, and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 7 is passed and any associate 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.

DATED: 26 MARCH 2015

BY ORDER OF THE BOARD

**LIA DARBY
MANAGING DIRECTOR
GLOBAL METALS EXPLORATION NL**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting of Global Metals Exploration NL to be held at 4:30pm WST on Wednesday, 6 May 2015 at **RM Capital Pty Ltd, Level 1, 143 Hay Street, Subiaco WA 6008**.

The 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 (of which this Explanatory Statement forms a part).

FINANCIAL STATEMENTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2014 together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

RESOLUTION 1 – REMUNERATION REPORT (NON-BINDING RESOLUTION)

1.1 General

The Remuneration Report is set out in the Directors' report in the Company's 2014 Annual Report. It is also available on the Company's website at www.gmetex.com.au

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

Section 250R(2) of the *Corporations Act* 2001 requires that at a listed company's annual general meeting, a resolution to adopt the Remuneration Report be put to the vote of the members of the Company. The vote on Resolution 1 is advisory only and is not binding on the Company or its Directors.

The Chair of the meeting must give the members a reasonable opportunity to ask questions or make comments concerning the Remuneration Report during the Meeting.

1.2 Voting consequences

Under changes to the *Corporations Act* which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

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1.3 Previous voting results

At the Company's 2013 annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, a Spill Resolution is not relevant for this Annual General Meeting.

1.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy, you must direct your proxy how to vote on this Resolution.

Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member).

You **do not** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, **you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.**

If you appoint any other person as your proxy.

You **do not** need to direct your proxy how to vote on this Resolution, and you **do not** need to mark any further acknowledgement on the Proxy Form.

1.5 Definitions

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Closely Related Party of a member of the Key Management Personnel means:

- (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).

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 2014.

1.6 Directors' recommendation

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

RESOLUTION 2 – RE-ELECTION OF MR STEVEN BAMFORD

In accordance with Listing Rule 14.4 and Clause 11.3 of the Constitution, at every annual general meeting, one third of the Directors for the time being must retire from office by rotation and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

Mr Steven Bamford retires by rotation at this meeting and being eligible, offers himself for re-election.

Details regarding Mr Steven Bamford are set out in the 2014 Annual Report.

The Directors, other than Mr Bamford, recommend the re-election of Mr Steven Bamford.

RESOLUTION 3 – ISSUE OF SECURITIES TO CREDITORS

- 3.1** Resolution 3 seeks shareholder approval for the issue of that number of Shares, when multiplied by the issue price, has a value of \$200,000, to creditors of the Company or their nominees.

The effect of Resolution 3 will be to allow the Directors to issue the Shares to the Company's creditors or their nominees during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

3.2 Technical Information Required by ASX Listing Rule 7.1

ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that (subject to certain exceptions, none of which is relevant here) prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of shares on issue at the commencement of that 12 month period.

For the purposes of ASX Listing Rule 7.3, the following information is provided in relation to the issue:

- a. the maximum number of Shares to be issued pursuant to Resolution 3 will be the number of Shares, when multiplied by the issue price, has a value of \$200,000
- b. the Shares will be issued and allotted no later than three months after the date of this Meeting or such later date as approved by ASX;
- c. the issue price of the Shares will be \$0.002 per Share;
- d. the allottees in respect of Resolution 3 are creditors of the Company as identified by the Directors, or their nominees. The allottees will not be related parties of the Company;
- e. the Shares allotted and issued will be fully paid ordinary Shares in the capital of the Company and will rank equally with the existing ordinary fully paid Shares on issue;

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and

- f. no funds will be raised from this issue

3.3 Directors' Recommendation

None of the Directors has a material personal interest in the subject matter of Resolution 3. The Board recommends Shareholders vote in favour of Resolution 3 as it will enable the Company to pay down debt and thus fund its ongoing commitments.

RESOLUTION 4 - ISSUE OF CONVERTIBLE NOTES TO RM CORPORATE FINANCE

- 4.1** Resolution 4 seeks Shareholder approval for the issue of Convertible Notes with an aggregate face value of up to \$2,500,000 in accordance with the Convertible Note Placement terms contained within the Capital Raising and Corporate Advisory Mandate (**Capital Raising Mandate**) to RM Corporate Finance and/or their nominee(s).

The fees in relation to the Capital Raising Mandate include a quarterly fee of \$6,000 per month payable in Shares and attaching New Options. This fee will be satisfied by resolution 7 of this Notice of General Meeting, subject to Shareholder approval. Should shareholder approval not be granted, the Company will utilise its 15% capacity.

The Convertible Note and its conversion forms part of the Capital Raising Mandate as summarised in below.

The effect of Resolution 4 will be to allow the Company to issue the Convertible Notes pursuant to the Capital Raising Mandate, without using the Company's 15% annual placement capacity set out in ASX Listing Rule 7.1. ASX listing rule 7.3.2 provides that the issue of the convertible notes must occur no later than 3 months after the date of the General Meeting. That is, only Convertible Notes issued within 3 months from the date of the General Meeting will be under Resolution 4 approval.

It is presumed that only a small portion of the Convertible Notes will be issued within the 3 months allowed under Resolution 4. The Company intends to seek shareholder approval, under listing rule 7.1 and 7.4 as applicable, across the two year time frame proposed, for each convertible note issue outside of the 3 months provided for in Resolution 4.

4.2 Terms of Convertible Notes

The key terms of the Convertible Notes are as follows:

- (a) the term of the Convertible Notes is twenty four (24) months from the date of issue of the first Convertible Note by the holder in accordance with the Capital Raising Mandate;
- (b) the aggregate face value of the Convertible Notes is to be no more than \$2,500,000;
- (c) the Convertible Notes will carry an interest rate of 4% per annum payable quarterly. The holder may elect for the interest to be paid in:
 - (i) Shares (which will be issued at the lesser of \$0.005 or 80% of the 5 Trading Day VWAP per share for Trading Day VWAP per Share for outstanding interest) together with one (1) free New Option for every two (2) Shares issued to be issued out of the Company's 15% capacity; or

EXPLANATORY STATEMENT

- (ii) cash;
- (d) the Convertible Notes will be convertible into Shares at the lesser of \$0.005 or 80% of the 5 Trading Day VWAP per Share together with one (1) free New Option for every two (2) Shares issued;
- (e) holders of Convertible Notes will have a right to call conversion any time after the issue of the Convertible Notes;
- (f) the conversion of the Convertible Notes into Shares and New Options is not conditional upon further Shareholder approval unless the Convertible Notes are not issued within the time frame approved within this meeting, being three (3) months (assuming no additional approval is obtained), or any additional shareholder approved time frame at a future shareholder meeting.
- (g) the Company may draw down on the convertible note loan facilities during the availability period, which commences on the day the holder confirms the availability of a convertible note loan facility to the Company and ceases on a date that is no later than 24 months from the date of issue of the first Convertible Note to the holder;
- (h) the Company does not intend to list the Convertible Notes for quotation on ASX and it is not obliged to do so; and
- (i) the Convertible Notes are unsecured.

4.3 Technical information required by ASX Listing Rule 7.1

- (a) The Convertible Notes will be issued with a total face value of no more than \$2,500,000 and are convertible into Shares at the lesser of \$0.005 or 80% of the 5 Trading Day VWAP per Share along with one (1) free New Option for every two (2) Shares issued;
- (b) the Convertible Notes will carry an interest rate of 4% per annum payable quarterly in either cash or Shares and New Options (at the holder's election). Any Shares and New Options issued pursuant to the interest carried on the Convertible Notes will be issued at the lesser of \$0.005 or 80% of the 5 Trading Day VWAP per Share together with one (1) free New Option for every two (2) Shares issued;
- (c) the Convertible Notes will be issued and allotted no later than three months after the date of this Meeting;
- (d) the Convertible Notes will be issued to sophisticated investors, who are not related parties of the Company;
- (e) the Shares issued on conversion of the Convertible Notes will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the New Options issued upon the conversion of the Convertible Notes will be issued on the terms set out in Schedule A of this Explanatory Statement;
- (g) the Company will make an application for Official Quotation by ASX of all Shares issued upon the conversion of the Convertible Notes;
- (h) the Company will apply for the Official Quotation of the New Options on ASX; and

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- (i) the Company intends to use the funds raised from the Convertible Notes to fund working capital.

4.4 Risk of voting dilution

The conversion of Convertible Notes into Shares will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the Convertible Notes, the economic and voting dilution of existing Shares would be as shown in the table below. The calculations assume a conversion price of \$0.0008 per Share.

ISSUED CAPITAL		DILUTION	
Details	Number	Undiluted	Diluted
FPO	187,349,220	100%	1,668%
Resolution 4	3,125,000,000	-	-
Total FPO	3,312,349,220	100%	-
Total Partly Paid Shares	11,590,198	100%	-
Total GXNOB Options	34,401,959	100%	-
GXN Unlisted Options	36,660,113	100%	4,262%
Resolution 4	1,562,500,000	-	-
Total GXN Unlisted Options	1,599,160,113	100%	-

4.5 Directors' Recommendation

None of the Directors has a material personal interest in the subject matter of Resolution 4. The Board recommends Shareholders vote in favour of Resolution 4 as it will enable the Company to fund its ongoing commitments.

RESOLUTION 5 - PLACEMENT OF SHARES AND OPTIONS

Resolution 5 seeks shareholder approval for the allotment and issue of up to that number of Shares, when multiplied by the issue price, will raise up to \$600,000 (Placement), along with one New Option for every Share issued.

The effect of Resolution 5 will be to allow the Directors to issue the Shares and New Options pursuant to the Placement during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.1 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that (subject to certain exceptions, none of which is relevant here) prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of shares on issue at the commencement of that 12 month period.

Technical information required by ASX Listing Rule 7.1

For the purposes of ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued pursuant to the Placement will be that number of Shares which, when multiplied by the issue price equals \$600,000;

- (b) The maximum number of New Options to be issued pursuant to the Placement will be the same as the maximum number of Shares to be issued, which will be that number of Shares which, when multiplied by the issue price equals \$600,000;
- (c) the Shares and New Options will be issued and allotted no later than three months after the date of this Meeting or such later date as approved by ASX;
- (d) the issue price of the Shares will be \$0.0005 per Share;
- (e) New Options will be issued for nil consideration;
- (f) the allottees in respect of Resolution 5 are not, as yet, identifiable, but will be subscribers to be identified by the Company and any brokers appointed by the Company to manage the issue. The allottees will not be related parties of the Company;
- (g) the Shares allotted and issued will be fully paid ordinary Shares in the capital of the Company and will rank equally with the existing ordinary fully paid Shares on issue, and the New Options in accordance with the terms and conditions in Schedule A, and;
- (h) the Company intends to use the funds raised by the Placement towards further gold exploration on its Jutson Rocks project in Western Australia, for work on the Leonora project, for paying down creditors, and for working capital purposes.

5.2 Directors' Recommendation

None of the Directors has a material personal interest in the subject matter of Resolution 5. The Board recommends Shareholders vote in favour of Resolution 5 as it will enable the Company to raise funds necessary to maintain its operations.

SPECIAL RESOLUTION 6 – APPROVAL FOR ADDITIONAL PLACEMENT CAPACITY

6.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the entity's annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 6, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 8.2 below).

The effect of Resolution 6 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing.

Resolution 6 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 8 for it to be passed.

6.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- is not included in the S&P/ASX 300 Index; and
- has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of less than \$2,000,000.

The Equity Securities must be in the same class as an existing class of quoted Equity Securities. The Company currently has only one class of quoted Equity Securities on issue, being the Shares.

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times B) - C$$

Where:

A = the number of Shares on issue 12 months before the date of issue or agreement:

plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;

plus the number of partly paid shares that became fully paid in the previous 12 months;

plus the number of Shares issued in the previous 12 months with approval of holders of Shares under ASX Listing Rule 7.1 or 7.4;

less the number of Shares cancelled in the previous 12 months.

B = 10%.

C = the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of ordinary securities under ASX Listing Rule 7.1 or 7.4.

6.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 8:

6.3.1 Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded

immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in paragraph 3.3(a)(i), the date on which the Equity Securities are issued.

6.3.2 Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Annual General Meeting and expiring on the first to occur of the following:

- (a) 12 months after the date of the Annual General Meeting; and
- (b) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).

In the 12 months prior to holding this meeting the Company raised nil funds through the issue of shares or securities. There was an issue of securities (19,560,000 shares at a value of \$0.005 per share for \$97,800 and 3,600,000 free attaching Options exercisable at \$0.03 on or before 31 December 2016). The issue was in relation to the payment of sign on fees and financing fees to RM Corporate Finance per resolutions of the General Meeting of 17 June 2014, as approved by shareholders. 12 months prior to the holding of this meeting, there were 167,789,220 ordinary shares on issue. The result of the 24 September 2014 issue was to dilute shareholders holding ordinary shares 12 months prior to the holding of this meeting by 12%.

6.3.3 Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Fully Paid Shares on Issue	Dilution			
	Number of Fully Paid Shares issued under 10% Placement Capacity	Funds raised based on issue price of \$0.0025 (Half the current issue price)	Funds raised based on issue price of \$0.005 (Current issue price)	Funds raised based on issue price of \$0.01 (Double the current issue price)
187,349,220	18,734,922	\$46,837	\$93,675	\$187,350
281,023,830 (50% increase)*	28,102,383	\$70,256	\$140,512	\$281,024
374,698,440 (100% increase)*	37,469,844	\$93,675	\$187,349	\$374,698
3,312,349,220 (1,668% increase)**	331,234,922	\$828,087	\$1,656,175	\$3,312,349

*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**Assumes conversion of \$2,500,000 of Convertible Notes (the subject of Resolution 5) at \$0.0008 and accordingly number of fully paid Shares on issue (Variable A) increases by 3,125,000,000 Shares.

The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 17 March 2015.
2. The issue price set out above is the price Shares were last issued at (see 3B 24 September 2014).
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Annual General Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
7. This table does not set out any dilution pursuant to any exercise of options

6.3.4 Shareholders should note that there is a risk that:

the market price for the Company's Shares may be significantly lower on the

issue date than on the date of the Annual General Meeting; and

the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

6.3.5 Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

as cash consideration, in which case the Company intends to use funds raised for exploration programmes at the Company's Jutson Rocks and Messina Projects and any residual funds allocated to general working capital ; or

as non-cash consideration for the acquisition of new resources assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

6.3.6 Allocation under the 10% Placement Capacity

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

the purpose of the issue;

alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;

the effect of the issue of the Equity Securities on the control of the Company;

the Company's circumstances, including, but not limited to, its financial position and solvency;

prevailing market conditions; and

advice from corporate, financial and broking advisers (if applicable).

6.3.7 Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained approval under ASX Listing Rule 7.1A, at the shareholder meeting of 17 June 2014.

6.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 6.

RESOLUTION 7 – ISSUE OF SECURITIES TO RM CORPORATE FINANCE IN RESPECT OF QUARTERLY DEBT FINANCING AGREEMENT FEE

- 7.1** Resolution 7 seeks shareholder approval for the issue of that number of Shares, when multiplied by the issue price, has a value of \$36,000, along with one New Option for every two shares issued, to RM Corporate Finance and/or their nominee(s).

A monthly retainer of \$6,000 per month is payable in Shares with a one for two attaching New Option. The Shares and New Options the subject of Resolution 7 represent a quarterly fee payable under the Financial Agreement.

A summary of the Financing Agreement can be found in Section 4.2 above.

The effect of Resolution 7 will be to allow the Directors to issue the Shares and New Options to RM Corporate Finance and/or their nominee(s) during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

7.2 Technical Information Required by ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that (subject to certain exceptions, none of which is relevant here) prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of shares on issue at the commencement of that 12 month period.

For the purposes of ASX Listing Rule 7.3, the following information is provided in relation to the issue:

- a. the maximum number of Shares to be issued pursuant to Resolution 7 is will be the number of Shares, when multiplied by the issue price, has a value of \$36,000, along with one New Option for every two Shares issued;
- b. the Shares and New Options will be issued and allotted no later than three months after the date of this Meeting or such later date as approved by ASX;
- c. the issue price of the Shares will be \$0.0005 per Share;
- d. New Options will be issued for nil consideration;
- e. the allottee in respect of Resolution 7 is RM Corporate Finance or a nominee of RM Corporate Finance. The allottees will not be related parties of the Company;
- f. the Shares allotted and issued will be fully paid ordinary Shares in the capital of the Company and will rank equally with the existing ordinary fully paid Shares on issue, and the New Options in accord with the terms and conditions in Schedule A; and
- g. no funds will be raised from this issue as it is in respect of 6 months fee for the Funding Agreement.

7.3 Directors' Recommendation

None of the Directors has a material personal interest in the subject matter of Resolution 7. The Board recommends Shareholders vote in favour of Resolution 7 as it will enable the Company to fund its ongoing commitments.

GLOSSARY

2014 Annual Report means the Company's annual report including the reports of the Directors and auditor and the financial statements of the Company for the year ended 30 June 2014, which can be downloaded from the Company's website at www.gmetex.com.au

ASX means ASX Limited (ACN 008 724 791).

Annual General Meeting means the Annual General Meeting of the Company to be held on Wednesday, 6 May 2015

ASX Listing Rules or **Listing Rules** means the Listing Rules of the ASX and any other rules of the ASX which are applicable while the entity is admitted to the Official List of the ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Board means the board of Directors.

Company or **Global Metals** means Global Metals Exploration NL (ABN 23 124 140 889).

Constitution means the constitution of the Company.

Convertible Notes means the convertible notes to be issued to RM Corporate Finance in respect of the Financing Agreement to a maximum value of \$2,500,000.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

Notice means the Notice of the Annual General Meeting attached to this Explanatory Statement.

New Option means an option to acquire a Share, per the terms and conditions of the New Options set out in Schedule A.

Placement has the meaning set out in Section 5.

Related Party means a party so defined by section 228 of the Corporations Act.

Remuneration Report means that section of the Directors' Report under the heading "Remuneration Report" set out in the 2014 Annual Report.

Resolution means a resolution to be considered at the General Meeting as contained in the Notice of Meeting.

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

Shareholder means a shareholder of the Company.

WST means Australian Western Standard Time.

SCHEDULE A - TERMS AND CONDITIONS OF NEW OPTIONS

\$0.002 30 April 2020 Option Terms and Conditions

- (a) Each Option entitles the holder to acquire one fully paid ordinary Share in the Company.
- (b) The options have an exercise price of \$0.002 (Exercise Price) and will expire at 5.00pm WST 30 April 2020 (Expiry Date).
- (c) The Options are exercisable at any time on or prior to the Expiry Date.
- (d) The Options may be exercised by giving notice in writing to the Company (Notice of Exercise), together with payment of the sum of 0.2 cents (\$0.002) per Option exercised. The Options will lapse at 5.00pm WST 30 April 2020. Any Notice of Exercise received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.
- (e) The Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of Options at any time until 30 April 2020. This right is subject to any restrictions on the transfer of an Option that may be imposed by ASX in circumstances where the Company is listed on ASX.
- (f) Option holders shall be permitted to participate in new issues of securities on the prior exercise of options in which case the Option holders shall be afforded the period of at least nine (9) business days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise the Option.
- (g) Shares issued on the exercise of Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of an Option will rank equally with the then issued ordinary shares of the Company in all respects. If the Company is listed on ASX it will, pursuant to the exercise of an Option, apply to ASX for Quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act and the Listing Rules.
- (h) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital at the time of the reconstruction.
- (i) If there is a bonus issue to shareholders, the number of shares over which the Option is exercisable may be increased by the number of shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
- (j) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced in accordance with Listing Rule 6.22.2.
- (k) The Company will apply for the Options to be listed and fully tradeable on the ASX as soon as is practicable after their issue.
- (l) Payment of the Exercise Price shall be in Australian currency made payable to the Company by electronic funds transfer or other means of payment acceptable to the Company. The application for shares on exercise of the Options with the appropriate remittance should be lodged with the Company in the manner provided in the Option certificate.

PROXY FORM

**APPOINTMENT OF PROXY
GLOBAL METALS EXPLORATION NL
ABN 23 124 140 889**

ANNUAL GENERAL MEETING

I/We

of

being a member of Global Metals Exploration NL entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR

☐

the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at RM Capital Pty Ltd, Level 1, 143 Hay Street, Subiaco WA 6008 at 4:30pm WST on Wednesday, 6 May 2015 and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

Voting on Business of the Annual General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Steve Bamford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of shares to Creditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Convertible Notes to RM Corporate Finance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Placement of Shares and Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval for additional placement capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of Shares to RM Corporate Finance in respect of quarterly fee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.

GLOBAL METALS EXPLORATION NL
ABN 23 124 140 889

PROXY FORM

Signed this day of 2015

If a natural person:

SIGNED by
in the presence of:

)
)
)

(Signature)

(Signature of Witness)

(Name of Witness in full)

If a Company:

**EXECUTED in accordance with section 127
of the Corporations Act:**

)
)
)
)

(Signature of Secretary/other Director)

(Signature of Director/Sole Director)

(Name of Secretary/other Director in full)

(Name of Director/Sole Director in full)

GLOBAL METALS EXPLORATION NL
ABN 23 124 140 889
Instructions for Completing "Appointment of Proxy" Form

1. A Shareholder entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. Where more than one proxy is to be appointed or voting intentions cannot be adequately expressed using this form an additional form of proxy is available from the Company or you may copy this form.
2. A duly appointed proxy need not be a Shareholder of the Company. In the case of joint holders, all must sign.
3. 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:
 - directors of the company;
 - 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.

For a company to rely on the assumptions set out in Section 129(5) and (7) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a proxy form will not prevent individual Shareholders from attending the meeting in person if they wish. Where a Shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.
5. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
7. To vote by proxy, please complete and sign the proxy form enclosed and either:

send the proxy form by post to Global Metals Exploration NL, c/- Advanced Share Registry Services Pty Ltd, PO Box 1156, Nedlands WA 6909; or

send the proxy form by facsimile to Advanced Share Registry Services Pty Ltd on facsimile number (08) 9292 3723,

so that it is received not later than 48 hours before the time of the meeting.

Proxy forms received later than this time will be invalid.
