



A Response to Resolutions Proposed by Dr Pretorius
From
Krucible Independent Directors Sean Kelly, Ray Koenig and Andrew Vigar

Dear Shareholder

As you would be aware, Dr Leon Pretorius, who holds approximately 5.3% of the shares in Krucible Metals, has, as is his entitlement, requested the company to call a meeting of shareholders at which to consider three resolutions, the substance of which in summary are:

- The removal of current Managing Director, Mr Allan Branch
- The addition to the Board of himself, Dr Pretorius, as an Executive Director
- The payment of a five cents per share dividend

At the company's forthcoming Annual General Meeting to be held on 11 November 2014, the first two of these resolutions will be considered, along with general business of the meeting. For reasons set out elsewhere in this letter, Dr Pretorius' third resolution relating to payment of a dividend is invalid and hence the requested resolution will not be put to shareholders.

We, Messrs Sean Kelly, Ray Koenig and Andrew Vigar, being independent directors of the company not the subject of a removal resolution as is our fellow director Allan Branch and hence largely personally unaffected by the resolutions, herewith issue our response to Dr Pretorius' request. We strongly urge all shareholders to reject Dr Pretorius' desire to appoint himself over Allan Branch and to support your independent directors in their rejection of Dr Pretorius' resolutions.

For the reasons set out below, **we are unanimous in our opposition to both of Dr Pretorius' resolutions.**

Our key reasons for recommending you **vote against the resolution to remove Allan Branch** are:

- The company's sound financial position today is substantially due to the efforts of Allan
- Allan has articulated a sensible vision for the company going forward
- Allan is best placed to monetise the company's rare earths commercialisation project
- Nobody knows the company as well as Allan

Our key reasons for recommending you **vote against the resolution to appoint Dr Pretorius** are:

- He does not seem to have a vision for the company
- He does not seem to have any experience in rare earths (your company's major resource interest)
- His grievance with the company is without substance and is personally motivated



- His corporate strategy is flawed

Further information in support of these reasons is set out as follows.

ALLAN BRANCH IS THE RIGHT PERSON TO BE MANAGING DIRECTOR OF YOUR COMPANY

As set out above, we consider that Allan Branch is the right person to be Managing Director of your company. Our opinion is based on four key reasons.

(1) Your company's strong financial position is largely attributable to Allan Branch

The fact that your company is in such a strong financial position today with an enviable cash reserve of approximately \$11 million is largely attributable to the efforts of Allan.

As shareholders would be aware, Allan was appointed to his present role on 1 May 2012.

At that time, with the economy still recovering from the Global Financial Crisis, your company found itself in a somewhat problematic financial position. Specifically, the company had cash reserves of less than \$1 million and a cash "burn" rate of approximately \$170,000 per month, suggesting that, if nothing changed, solvency was likely to become an issue within three to four months (taking into account anticipated staff redundancy costs).

Moreover, an extended attempt by the company prior to that time to raise third-party capital attracted no offers of support.

Allan did not hesitate to join the company despite those stressed conditions, something he has global experience with. Rather, he immediately set about to remedy this financial crisis through realisation of the company's phosphate bearing tenements at Korella, which had been skilfully identified and explored by the company's founder, Mr Tony Alston, and his then fellow directors and staff.

Through no fault of the company, a proposed joint venture orchestrated by Allan shortly afterwards with a Singapore company did not proceed.

However, Allan quickly put in place an alternate arrangement involving Australia New Agribusiness and Chemical Group Ltd ("ANB"), a company previously unknown to Krucible. Upon completion of this transaction on 16 January 2014, Krucible received cash consideration of more than \$12 million, essentially the cash balance it holds today.

Whilst this transaction was under discussion, Allan's international connections allowed Krucible to secure bridging finance through an equity deal with Bergen Capital Management in New York. So Allan and the Board actually completed two separate deals in their successful efforts to save Krucible.

The outstanding financial position in which company finds itself is in stark contrast to a substantial number of our ASX-listed peers.

Indeed, a report just released on 24 September 2014 by CPA Australia concerning the state of Australia's 1,600 ASX-listed companies claims that nearly one-third are facing the risk of a "financial catastrophe", with the danger even greater now than during the depths of the Global Financial Crisis. The report went on to state that companies most at risk are in the mining and energy sectors where almost 40% of juniors are in financial jeopardy.

Thankfully, we are not one of these at-risk companies.

Moreover, the fact that your company has such significant cash reserves in a market where so many of its ASX-listed resource company peers are struggling puts us in an outstanding position to move forward, whether because:



- We can undertake drilling at a substantial discount to the prices at which drilling services are available in buoyant market conditions
- Companies and assets are available for purchase at a substantial discount to their underlying value – the fact is, the company finds itself in its strongest ever financial position in the midst of an extraordinary buyer's market for resources interests

(2) Allan Branch has articulated a vision for taking your company forward

Allan has articulated a vision for the company that involves three distinct limbs:

- Ongoing exploration with an anticipated spend of the order of \$2 million per annum, funded through the company's current cash reserves
- A corporate transaction of one form or another (eg merger, acquisition, joint venture) involving an operational mine in the short/near term, funded by way of scrip rather than cash, with the aim of providing the company with a maintainable revenue stream going forward so as to ensure Krucible has the funds to commercialise any future discoveries and which could see Krucible making regular dividend payments to shareholders (much better than a quick one-off money-grab)
- Early monetisation of the company's most advanced resource interest, being its rare earths commercialisation project

This vision was set out in the company's recently-released Quarterly Activities Report for the three months ended 30 June 2014, so does not need to be restated in detail here.

Suffice it to say, the Board has been totally supportive of Allan's three-limbed strategy, which was implemented in early 2014, and believes it has the potential to deliver significant value for the company and hence for all Krucible shareholders in the near/medium term.

(3) Allan Branch is best placed to monetise the rare earths commercialisation project

As set out above, a key limb of the company's vision moving forward is the early monetisation of the company's rare earths commercialisation project.

Initial exploration results at the recently obtained exploration leases south of Boulia have indicated potential for a large-scale rare earths resource amenable to low cost processing so that any venture can be profitable. Allan has set the stage for marketing products from these leases.

Indeed, the board as a whole believes that exploitation of this project, once again, identified and explored through the efforts of Mr Alston, has the potential to deliver for the company in the medium term a windfall outcome similar to that achieved with respect to the company's phosphate assets.

In this respect, Allan Branch is integral to the company's chances of success.

Since joining the company, Allan has continued the work in relation to more than one proprietary low-cost processing technology, which will give Krucible an essential global lead if the project is to come to market in the current rare earths price environment.

Allan has also undertaken extensive analysis of and has outstanding insight into the global pricing dynamics of rare earths. Indeed, he has become internationally well known for this work, his efforts having attracted the attention of two US Government bodies, the Critical Materials Institute and the Department of Energy and, more recently, the Chinese Rare Earths Industry Bureau and the European EURARE project.



Such standing in the industry sees Allan invited to present at conferences around the world, through which he has become introduced to and is now in detailed discussions with a number of American, Chinese and European parties who are potentially interested in partnering with Krucible in relation to the company's rare earths processing technology.

We believe that, were Allan no longer with the company, the chances of the company's rare earths project becoming monetised in the short/near terms would greatly diminish.

(4) Nobody knows the company as well as Allan Branch

The fourth reason why we believe Allan Branch should remain as Managing Director is very simple.

Having worked in this role for nearly three years, nobody knows your company as well as Allan.

To replace Allan with a new Managing Director, whether Dr Pretorius or otherwise, who knows nothing of the company would represent a major setback and put at significant risk each and every one of the company's current initiatives.

DR PRETORIUS IS NOT AN APPROPRIATE PERSON TO BE AN EXECUTIVE DIRECTOR OF YOUR COMPANY

As set out above, we consider that Dr Pretorius is not an appropriate person to be an Executive Director of your company as he so wishes. Our opinion is based on four key reasons.

(1) Dr Pretorius has not taken the opportunity to articulate a vision for your company

As is his right, Dr Pretorius has provided the company with a personal statement, a copy of which is set out in this Notice of Meeting booklet.

Having been a shareholder of your company since 2007, and hence presumably having some knowledge of the company and its affairs, one would reasonably expect Dr Pretorius to allocate some of the statement's prescribed 1,000 word limit to set out his vision for the company. After all, how could any reasonable shareholder support a board candidate without having any knowledge of their intentions?

The reality is, we have scant idea as to what Dr Pretorius' vision is for the company nor what his real agenda is.

Indeed, all Dr Pretorius states as regards his vision is as follows:

"Through his network and contacts in the Australian mining industry and on other continents a steady flow of opportunities will be available for KRB to assess."

We respond "So what?" Through Allan Branch and the board as a whole, the company already enjoys an outstanding network of contacts, both in Australia and overseas, and currently has before it and is presently evaluating a substantial number of opportunities.

(2) Dr Pretorius does not seem to have any experience in rare earths

As set out above, your company has a potentially significant opportunity to monetise its major resource interest in the near/medium term, being its rare earths processing technology.

In his resume, Dr Pretorius does not claim to have any experience in rare earths.

That being the case, we question how much value, if any, he could add to the project to save the significant investment Krucible already has in rare earths.



The risk is that the company could not only lose its current opportunities, but the value from all previous rare earths expenditure. In fact, Dr Pretorius' inopportune petitions may have already damaged some of this work.

It is noted that Dr Pretorius' CV shows him to have had a limestone and uranium focus which is not an area in which your company currently has any particular interest.

(3) Dr Pretorius' grievance with your company is without substance and personally motivated

To take this action, Dr Pretorius must presumably have a grievance with your company. However, when we review his statement, not a whole lot becomes clear.

He states that he has been a shareholder since 2007, but has had little satisfaction until the sale of the phosphate tenements in January 2014 to ANB. We see this as a "kick-in-the-guts" to not only the current board and employees, but all those who served previously, including the company's founder, Tony Alston.

A number of questions arise in relation to Dr Pretorius' actions:

- Why did he sit back and do nothing through seven years of dissatisfaction, only to commence this action within months of seemingly becoming satisfied?
- Why does he now seek to remove from the company the very person primarily responsible for bringing him the satisfaction that he had sought for seven years?

It appears to be little other than a desire to take over the control of the funds Allan Branch has successfully brought into Krucible.

Dr Pretorius goes on to talk about how the share price of the company "...has rarely exceeded 50% of the cash it has".

Your Directors agree that the share price of the company has been disappointing, but the fact is that, right up until Dr Pretorius lodged his section 249D notice, the share price had been steadily rising and had increased by about 40% since the beginning of this financial year.

Moreover, any experienced market participant knows that the share price of any company from time to time does not simply reflect the underlying value of that company but also the sentiment in the market as a whole. Indeed, there are a number of ASX-listed junior resources companies, the share price of which does not reflect cash reserves, let alone the value of any additional resources interests (a recent figure we obtained identified some 60 companies in this position).

What matters most is that your company is in a sound financial position, providing opportunity for the share price to come to better reflect the underlying value of your company as Allan Branch's strategies are implemented and, hopefully, as the tough financial market conditions we are experiencing start to ameliorate.

Notwithstanding the above, your directors believe that Dr Pretorius' primary grievance with your company could well be other than he has disclosed.

The fact is, on more than one occasion, Dr Pretorius has approached your company for personal financial gain.

In January 2014, he approached the Chairman seeking an executive role with the company, which was rejected.

He has also brought to your company on occasion potential corporate acquisition or joint venture opportunities, for which he had sought remuneration had the said transactions proceeded.

Each opportunity has been one with Dr Pretorius as an interested party, and it is questionable if they are genuine opportunities that match Krucible's strategy, or opportunistic attempts to risk your company's funds to investment speculation.



It is noted that, each and every time Dr Pretorius has brought such opportunities to our attention, the opportunities were appropriately investigated. However, so far, none have met the board's stringent criteria.

We believe that Dr Pretorius should disclose to shareholders what is motivating him and not hide behind vague excuses of seemingly nil substance.

(4) Dr Pretorius' strategy is flawed

Two of the resolutions proposed by Dr Pretorius are worthy of brief comment.

His resolution 2 (resolution 6 in the Notice of Meeting) seeks his appointment to the board of your company as a Director.

However, in his statement to shareholders, he states:

“Resolution 2 to appoint Leon Pretorius to join the Board as its Executive (emphasis added) Director...”

In other words, as per the discussion above, a motivation for Dr Pretorius seems to be to win a role in the company as an executive – that is to say, he wants a job (which is consistent with the discussion above).

As shareholders will be aware, whilst the appointment of directors is a matter for shareholders, the appointment of executives is a matter for the board.

We, the three directors of your company not the subject of removal resolutions, hereby state that, even should Dr Pretorius succeed in becoming a director, we would not be supporting his appointment in an executive capacity...and hence his strategy is flawed.

Dr Pretorius' proposed resolution 3 concerning the payment of a dividend was invalid and hence was not included in the Notice of Meeting.

However, his strategy in relation to this resolution was also flawed. In fact, it was flawed for several reasons.

First, as shareholders would be aware, determination as to the payment of a dividend is a matter for the board, not for shareholders (which is why the resolution was invalid).

Secondly, Dr Pretorius' resolution stated that the dividend was to be paid to shareholders registered as at the date his request was lodged with your company. This proposed record date does not accord with the timetable required under Appendix 6A of the Listing Rules.

Finally, and most importantly, we find it astounding that Dr Pretorius would seek to direct how your company should manage its capital requirements without being in full knowledge of the company and its plans. We believe that such behaviour can only be described as reckless.

Curiously, on advising Dr Pretorius' solicitors as to the fact that the proposed resolution was invalid, there was no challenge to the company's position, the response being that "...it has already served its purpose". We will let shareholders form their own view of what motivated Dr Pretorius to act in this way, having regard to its effect on Krucible's share price and his own representative's words.

For the record, even if Dr Pretorius should succeed in becoming a director, we will not support his proposal for the company to pay a dividend of five cents per share, having regard to the exciting opportunities currently before your company...and, hence, once again, Dr Pretorius' strategy is flawed.



It is noted that rewarding shareholders for their loyalty is a topic of discussion whenever the board meets. Indeed, a statement in relation to rewarding shareholders appeared most recently in the June 2014 Quarterly Activity Report:

“Krucible intends to continue rewarding the loyalty of shareholder with future innovative offerings”

OTHER MATTERS

In the Chairman’s letter to shareholders that formed part of the 2013 Annual Report, the Chairman brought attention to the matter of board stability, stating:

“Since the changes to the board that I spoke about at the AGM, I am pleased to report continued stability at a board level”.

We alert shareholders to the fact that, in the event of Dr Pretorius’ appointment to the Board and or the removal of Allan Branch, we believe that the stability that has been achieved will inevitably be lost, with likely deleterious consequences for the company as a whole, and for the value of your shareholding.

Separately, we are aware that Dr Pretorius’ actions in calling for the resolutions have already put at risk important impending negotiations, due to the instability that he has created.

Finally, we note that, since Dr Pretorius’ actions were announced, the company’s share price has declined from around 7 cents per share to 5.5 cents per share at the time of writing.

We urge shareholders to **vote against the removal of Allan Branch as a director** and **vote against the appointment of Dr Pretorius as a director**.

Attached to this Notice of Meeting is an unsolicited statement from your company’s major shareholder strongly supporting the company’s strategy and leadership of Allan Branch.

Yours faithfully

Sean Kelly
Non-Executive Chairman

Ray Koenig
Non-Executive Director

Andrew Vigar
Non-Executive Director



Dear Shareholder,

It has been a privilege having had the opportunity to be Managing Director and CEO of your company coming up now on three years.

As a corporate turnaround and business development specialist, enjoying such long tenure with the same organization has been quite an unusual experience. Generally, once my particular task has been completed, I move on looking for a fresh challenge.

My appointment in May 2012 came about because your company was in a weak financial position and requiring a turnaround.

Whilst we had some good resource assets, thanks in no small part to the efforts of my predecessors, our cash reserves were depleting rapidly and efforts to raise new capital had proven fruitless.

It is no secret that I am so proud of the efforts of our team in completing the sale of our phosphate tenements to Australia New Agribusiness and Chemical Group.

This transaction, for which we received cash consideration of more than \$12 million, has placed your company in a very strong financial position at a time when some 40% of our ASX-listed junior explorer peers are struggling for survival, let alone undertaking meaningful exploration effort. Krucible is an enviable, shining star in the junior space.

This financial strength has allowed us to put in place a three-part strategy for moving your company forward involving:

- Ongoing exploration, the lifeblood of any junior resources company, with an anticipated spend of the order of \$2 million per annum, funded through the company's current cash reserves, which are sufficient for another 4 to 5 years intensive exploration. It is noted that the 2014 ramp-up of effort since completion of the phosphate sale has already delivered encouraging results at Tobermorey, Coorabulka, Valroy, and our Cannington tenements
- A corporate transaction of one form or another (e.g. merger, acquisition, joint venture) in the short to near term, funded by way of scrip rather than cash, with the aim of providing the company with a maintainable revenue stream going forward and which could see Krucible making regular dividends to shareholders
- Early monetisation of the company's most advanced resource interest, being its rare earths commercialisation project, but in an innovative way that ensures profitability

I trust that, like me, you find all this exciting.

For my own part, these projects hold special interest, which, I suppose, is the primary reason I am keen to stay on with the company even though the task of turning around the company is well and truly accomplished.

As some shareholders may know, pursuing this rare earths opportunity as I have over the last 18 months has allowed me to develop considerable knowledge in what is an exciting industry, quite unlike any other in the resources sector, and which is a priority for the USA, European and Chinese governments under their respective critical materials policies.

I believe that such knowledge, which no one else in the company holds, in conjunction with the contacts that the company has made, and perhaps a little bit of luck could well see us achieve another phosphate-type transaction in the near to medium term.



I do hope you will support me by **voting against my removal as a director** at the forthcoming shareholders' meeting.

Yours faithfully

A handwritten signature in black ink that reads "Allan Branch". The signature is written in a cursive, flowing style.

Allan Branch
Managing Director

30 September 2014

Subject: Receipt Of Notice Under s2490D Of The Corporations Act. Re Dr Leon Pretorious

Date: Friday, 12 September 2014 10:54:33 am Australian Eastern Standard Time

From: Simon & Dot Husbands

To: sean.kelly@krucible metals.com.au

Good Morning Mr Chairman and Board Members, I wish to state my reaction to the above.

As you will be aware I am a long standing shareholder in Krucible and have been a shareholder almost from the float.

I hold 5.7 % of the company and believe I am the largest shareholder.

For many years I have seen the ups and downs of the fortune of the company, and at this time I am extremely excited about the near future prospects of the company.

I STRONGLY support Allan Branch. If he didn't come along when he did we would have run out of money and all would be lost.

To sell the Phosphate deposits in the GFC was a stroke of brilliance. This meant we didn't have to start a mining company, hire staff, transport the product to ship, risk bad creditors etc. All we had to do was sign a piece of paper to get \$12 million in the bank risk free.

We also have a first option at a JV with ANB for the rare earths on Korella, who I would assume need us for our new lower cost processing techniques.

By getting this money I firmly believe he saved the company.

Why do some people think that all Allan is doing is travelling round pushing the Rare Earths at conferences. I am sure there is massive work behind all this, and if we have technology that saves producers significant processing money, (Thank You Ray), we obviously can sell this all around the world, which will provide the company with massive profits. Again not digging product out of the ground, but perhaps again another stroke of a pen?

On top of this of course is still our prospects in the ground, but we need ongoing money for this. If we give over a third of our current monies back to the shareholders, will we have sufficient funds to explore, drill, mine and do the marketing of our technology?

Allan Branch is a man of substance. I sometimes ask myself why would he have been interested in a little junior explorer? I believe the answer is he is driven to success and he will make this company a great one.

To all shareholders, please look at the bigger picture. If we have a change of CEO the company will be in disarray. Shareholders (I have the most to gain!) will be happy with their 5 cent dividend, but then where to from there?

It is critical that Allan Branch at this crucial time of change for the company is left in charge to do what he does best.

Regards Simon Husbands



Managing Director FWMI PTY LTD.



KRUCIBLE METALS LTD

Mineral Discovery Company

ABN 12 118 788 846

**NOTICE OF ANNUAL GENERAL MEETING,
EXPLANATORY MEMORANDUM AND PROXY FORM**

To be held at

**113 Boundary Street
Railway Estate
Townsville, Queensland 4810
Australia**

on

Tuesday 11 November 2014

At 10.30 am (AEST)

This is an important document that requires your immediate attention.

You should read this document in its entirety before deciding whether or not to vote in favour or against any resolution at the general meeting. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

If you have questions about the general meeting or the resolutions to be voted on, please call the **shareholder information line** on 1300 721 302 (within Australia) or +61 3 9415 4318 (outside Australia), Monday to Friday between 8:30 am and 5:00 pm (AEST).

For those shareholders who have elected not to receive a hard copy of the Krucible Metals Ltd 2014 Annual Report, it can be accessed on the Company's website at:

<http://www.kruciblemetals.com.au/annual-quarterly-reports/>



KRUCIBLE METALS LIMITED

ABN 12 118 788 846

NOTICE OF ANNUAL GENERAL MEETING AND AGENDA

Notice is hereby given that the Annual General Meeting of shareholders of Krucible Metals Limited will be held at the new Company office at 113 Boundary Street, Railway Estate, Townsville Queensland 4810, Australia on Tuesday 11 November 2014 commencing at 10.30 am (AEST) ("Meeting").

The Explanatory Memorandum that accompanies and forms part of this notice of Annual General Meeting describes the various matters to be considered at the Annual General Meeting. Shareholders should read the Explanatory Memorandum with this Notice of Meeting before deciding how to vote.

The Proxy Form attached constitutes part of this Notice of Annual General Meeting ("Notice").

ORDINARY BUSINESS

Address by the Chairman

Financial and Other Reports

To receive and consider the Financial Report and Reports of the Directors and the Auditor for the financial year ended 30 June 2014 as set out in the 2014 Annual Report.

Resolution 1: Re-election of Director – Mr Andrew James Vigar



Resolution RECOMMENDED by your Board of Directors (Mr Andrew Vigar abstaining) for Approval

The Chairman intends to vote all undirected proxies **in favour** of Resolution 1.

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

"That Mr Andrew James Vigar, who was appointed to fill a casual vacancy under Rule 36.1 of the Company's Constitution retires from the office of Director and being eligible, is re-elected as a Director."

Resolution 2: Re-election of Director – Mr Sean Kelly



Resolution RECOMMENDED by your Board of Directors (Mr Sean Kelly abstaining) for Approval

The Chairman intends to vote all undirected proxies **in favour** of Resolution 2.

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

"That Mr Sean Kelly, who retires from the office of Director by rotation under rule 38.1 of the Company's Constitution and being eligible, is re-elected as a Director."



Resolution 3: Adoption of Remuneration Report



Resolution **RECOMMENDED** by your Board of Directors for Approval

The Chairman intends to vote all undirected proxies **in favour of** Resolution 3 (subject to section 250BD of the Corporations Act, which is explained on page 5).

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

"That the Remuneration Report for the year ended 30 June 2014, as disclosed in the 2014 Annual Report, be adopted."

Resolution 4: Conditional Spill Resolution



Resolution your Board of Directors recommends you **VOTE AGAINST**

The Chairman intends to vote all undirected proxies **against** Resolution 4.

Subject to and conditional upon at least 25% of the votes on resolution 3 being cast against resolution 3, to consider, and if thought fit, pass the following resolution as an ordinary resolution:

- a) ***"That the Company will convene another meeting of the Company's members (Spill Meeting) within 90 days.***
- b) ***That all the Company's directors:***
 - (i) ***who are directors at the date of the AGM; and***
 - (ii) ***who are not a managing director of the Company who may continue to hold office indefinitely under the listing rules of a prescribed financial market (and the Company is included on the market's official list) without being re-elected to the office, cease to hold office, immediately before the end of the Spill Meeting.***
- c) ***That resolutions to appoint new directors to replace the vacated directors will be put to the vote at the Spill Meeting."***



SPECIAL BUSINESS

The two resolutions below were requested by Dr Pretorius and were not put forward by the Company and are **NOT SUPPORTED** by the Company.

Resolution 5: Removal of Mr Allan Branch Director



Resolution your Board of Directors (Mr Branch abstaining) recommends you VOTE AGAINST

The Chairman intends to vote all undirected proxies **against** Resolution 5.

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

"That, pursuant to the power under rules 36.3(c) and 36.4 of the Company's Constitution and s203D of the Corporations Act 2001 (Cth), Dr Allan Branch be and is hereby removed as a director of the Company."

Resolution 6: Election of Dr Leon Eugene Pretorius as a Director



Resolution your Board of Directors recommends you VOTE AGAINST

The Chairman intends to vote all undirected proxies **against** Resolution 6.

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

"That, pursuant to the power under rules 36.3(c) of the Company's Constitution, Dr Leon Eugene Pretorius be and is hereby appointed as a director of the Company."

Shareholders are invited to attend a presentation given by the Company's Managing Director and CEO, Dr Allan Branch, and the Company's Senior Geologist, Bridgette Humphries, immediately after the meeting at which time refreshments will be served.

Proxies, attorneys and corporate representatives

A member entitled to attend and vote at the meeting may appoint a proxy, attorney or representative to give its vote and, if entitled to cast two or more votes, is entitled to appoint no more than two proxies. If two proxies are appointed, each proxy may be appointed to represent a specified proportion of the member's voting rights. If such proportion is not specified each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded. A proxy may but need not be a member of the Company and a member may appoint an individual or a body corporate to act as its proxy.



The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, either under seal or under hand of a duly authorised officer or officers of the Company or its duly authorised attorney.

For the convenience of shareholders, two proxy forms have been included with this Explanatory Memorandum, a green proxy form and a white proxy form.

The green proxy form has been completed in line with the recommendation of the Krucible Board. If you wish to vote in accordance with the recommendations of the Krucible Board, you should simply sign the **green proxy form** and fax or mail the form to the Company Secretary following the instructions on the form. **If you sign and return the green proxy form, you do not need to complete the white proxy form.**

If you do not wish to vote in accordance with the recommendations of the Krucible Board, you will need to follow the instructions on the white proxy form to indicate your voting instructions. Once you have completed this form, please fax or mail the form to Company Secretary following the instructions on the form.

The Chairman of the meeting intends to vote undirected proxies **FOR** Resolutions 1, 2 and 3, and **AGAINST** Resolutions 4, 5 and 6.

If the Chairman is to act as your proxy in relation to Resolution 3 (whether by appointment or default) and you have not given instructions on how to vote by marking the appropriate box in the voting directions section of the proxy form, the proxy form expressly directs and authorises the Chairman to cast your vote for Resolution 3. This express authorisation is included because without it, pursuant to section 250BD of the Corporations Act, the Chairman would be precluded from casting your votes, as the Resolution is connected with the remuneration of Key Management Personnel.

Proxy forms and, if applicable, the powers of attorney (or a certified copy of the powers of attorney) under which they are signed may be lodged with the Company Secretary, Mr Mike Meintjes.

Proxies must be lodged at least 48 hours before the appointed time of the meeting. Proxy forms are enclosed for your convenience. However, the Company will accept any appointment of a proxy that complies with the requirements of section 250A of the Corporations Act.

The Company Secretary's contact details are as follows:

Post	PO Box 499 Castletown, Townsville, Queensland 4812, Australia
In person	113 Boundary Street, Railway Estate, Townsville Queensland 4810, Australia
Telephone	(07) 4772 5880
Facsimile	(07) 4772 4999
Email	mike.meintjes@kruciblemetals.com.au

The Directors have determined pursuant to regulation 7.11.38 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 7.00 pm (AEST) on 7 November 2014. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

By order of the Board

Mike Meintjes
Company Secretary
30 September 2014



KRUCIBLE METALS LIMITED

ABN 12 118 788 846

EXPLANATORY MEMORANDUM

Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting of the Company to be held at the new Company office at 113 Boundary Street, Railway Estate, Townsville Queensland 4810, Australia, on Tuesday 11 November 2014 commencing at 10.30 am (AEST).

The purpose of this Explanatory Memorandum is to provide information that the Board believes is material to Shareholders in relation to the Resolutions. This Explanatory Memorandum explains the Resolutions and identifies the Directors' reasons for putting them to Shareholders.

The directors of the Company recommend that shareholders read this Explanatory Memorandum before making any decisions in relation to the resolutions.

Background to Special Business being put to this meeting

The Special Business to be considered at the meeting has been requested by one shareholder, Dr Leon Eugene Pretorius, who holds approximately 5.3% of the Company's shares.

Resolutions requested by Dr Leon Pretorius that are to be considered at the meeting are:

- Resolution 5 – The removal of Mr Allan Branch as a Director
- Resolution 6 – The election of Dr Leon Pretorius as a Director

Voting AGAINST resolution 5 as your Directors recommend (Mr Allan Branch abstaining) will see Mr Allan Branch remain as a Director.

Voting AGAINST resolution 6 as your Directors recommend will see Dr Leon Pretorius not appointed as a Director.

Frequently asked questions

Why have additional resolutions been requested by Dr Pretorius?	On 11 September 2014, Dr Leon Pretorius requisitioned a meeting of shareholders pursuant to section 249D of the Corporations Act, by sending a requisition notice to the Company. On that date, Dr Pretorius held 4,266,668 shares in the Company, which is more than 5% of the Company's issued share capital. This holding entitled Dr Pretorius to requisition a shareholder meeting.
What resolutions has Dr Pretorius proposed?	Dr Pretorius has proposed Resolutions 5 and 6, which seek the removal of Mr Allan Branch from the board and his own appointment to the board.
Why does Dr Pretorius wish to remove Mr Allan Branch as a Director and have himself appointed?	A copy of Dr Pretorius' statement, made pursuant to section 249P of the Corporations Act, is annexed to this Explanatory Memorandum. <i>The Directors of Krucible do not agree with the statement of Dr Pretorius and recommend shareholders vote <u>AGAINST</u> the resolutions he has put forward.</i>



Further information

If you have any questions about the general meeting or the resolutions to be voted on please call the **shareholder information line** on 1300 721 302 (within Australia) or +61 3 9415 4318 (outside Australia) Monday to Friday between 8:30 am and 5:00 pm (AEST).

Important dates and times

Record time/date to determine shareholders eligible to vote	7:00 pm (AEST) on Friday, 7 November 2014
Last time/date for receipt of valid proxies	10:30 am (AEST) on Sunday, 9 November 2014
General meeting	10:30 am (AEST) on Tuesday 11 November 2014

Nature of resolutions

All of the resolutions are ordinary resolutions, meaning that they can be passed by a simple majority of votes cast by the shareholders entitled to vote, except for Resolution 3 to which special rules apply.

Ordinary business

Financial Statements and Reports

The financial statements, Directors' Report and Auditor's Report for the year ended 30 June 2014, as set out in the 2014 Annual Report, are placed before the meeting. Shareholders will be given reasonable opportunity to discuss these documents and ask questions.

There is no requirement either in the Corporations Act or in Krucible Metals Limited's Constitution for Shareholders to approve the Financial Report, the Directors' Report or the Auditor's Report and therefore no resolution is required for this item of ordinary business.

For those Shareholders who have elected not to receive a hard copy of the Annual Report, it can be accessed on the Company's website at: <http://www.kruciblemetals.com.au/annual-quarterly-reports/>

Resolution 1 – Re-election of Director - Mr Andrew James Vigar

The Company's Constitution under Rule 36.1 requires that where a director is appointed as an addition to the board during the year, that Director must retire at the next Annual General Meeting and is eligible for re-election.

Pursuant to the Constitution, Mr Andrew James Vigar, who was appointed on 23 May 2014, will retire and seek re-election.

Mr Vigar was appointed to enhance the technical and geological strength of the board and to support the Company's key focus on exploration. Mr Vigar's role on the board also incorporates his activities as Krucible's Competent Person and benefits from his long standing national and international networks and connections within the mining industry. A brief biography of Mr Vigar is set out below.



The Directors recommend that Shareholders vote FOR Resolution 1 to re-elect Mr Andrew James Vigar.

Andrew Vigar BSc (App. Geo.), FAusIMM, MSEG – Non-Executive Director

Andrew has 34 years of experience in the minerals industry covering areas from regional exploration to mining, corporate and finance. He held company positions with Utah, Emperor, WMC and CRAE prior to commencing consulting in 1996 as Vigar & Associates which became part of SRK Consulting where he built and managed the Brisbane practice. He left SRK in 2003 to pursue a range of mining related interests, including the formation of Mining Associates, Forum Pacific and the Brisbane Mining Club and founded the ASX listed Drummond Gold in 2007. He returned to Mining Associates as a Director in 2009. Andrew has been working on mining projects for more than 15 years across a wide range of deposits in the Australasia/Pacific area and is recognised by the AusIMM as a Competent Person and independent technical advisor. This has focused on exploration support, deposit geology, ore body modelling, resource and reserve estimation for project development. Andrew is aware of, and experienced in, the specialist skill areas required for operation in the uranium industry.

He was a national councillor of the AusIMM in 2000 and Chairman of the International Mine Geology 2000 and 2003 conference committees. He is the past Chairman and current member of the AusIMM Geoscience Committee. He is the Chairman of the Brisbane Mining Club and non-executive director of Alligator Energy Ltd (ASX:QGE).

Resolution 2 – Re-election of Director - Mr Sean Kelly

In accordance with ASX Listing Rule 14.4 and Rule 38.1 of the Company's Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Director(s) to retire are those who have been the longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time and unless mutually agreed, by lot.

Mr Sean Kelly a director of the Company since 9 May 2012 and Chairman since 1 November 2012, seeks re-election by reason of his retirement by rotation pursuant to Resolution 2 of the Notice of Meeting. The Company Constitution provides that a Director who retires is eligible for re-election. A brief biography of Mr Kelly is set out below. The Annual Report for 2014 sets out further details concerning his qualifications and experience and record of attending Board meetings. Sean's experience in law and specifically legal and administrative processes within the mining sector and particularly in Queensland where Krucible has the majority of its exploration activities has proved invaluable for the Company and his skill as a Chairperson has ensured a strong and effective board.



The Directors recommend that Shareholders vote FOR Resolution 2 to re-elect Mr Sean Kelly.

Sean Kelly LL.B. – Non-Executive Chairman

Sean Kelly is a solicitor admitted to practise in the Supreme Court of Queensland and the High Court of Australia. Since 2002 Sean has held the position of commercial litigation partner for the long established and respected Townsville based legal firm, BCK Lawyers.

With extensive experience in all facets of litigation and a particular emphasis on advocacy, Sean regularly appears in court including the Supreme Court of Queensland and the Queensland Court



of Appeal where he has been personally involved in a number of reported decisions. Sean also has extensive experience in mediation and negotiation.

Sean is a registered adjudicator under the Building and Construction Industry Payments Act 2004 and determines disputes that are referred to him under that legislation. Sean's interest in building and construction law has also meant that he has developed extensive experience in drafting, negotiating and finalising joint venture agreements for his clients.

For over a decade Sean has acted for the Department of Transport and Main Roads and has been involved in the negotiation and preparation of complex engineering and infrastructure agreements under the Integrated Planning Act 1997 / Sustainable Planning Act 2009 and agreements under the Mineral Resources Act 1989.

Resolution 3 – Remuneration Report

The Directors' Report for the year ended 30 June 2014 contains the Remuneration Report, which sets out the Company's policy for the remuneration of the Directors and certain of its executives.

At the 2013 AGM, the Company received a "first strike" in accordance with section 250R(2) of the Corporations Act 2001. Following receipt of the first strike, the Company has reviewed its remuneration policy and engaged with shareholders to seek to understand the concerns that led to the "first strike". **It is noted that the remuneration of directors and executives at Krucible is well below the industry standard due to allowances for the economic crisis and the financial condition the Company has been in. Despite the Company receiving a large life-saving cash injection in 2014, the overall quantum of directors' and executives' remuneration was lower than 2013. The CEO remuneration remains below industry standard, while at the same time staff have received salary increases as reward for their exceptional performance. If a "second strike" occurs, then a Board Spill Meeting Resolution will be put to the AGM, which the Board unanimously recommends voting AGAINST on the basis that it would be extremely disruptive to the ongoing operations of the Company.**



The Directors recommend that Shareholders vote FOR Resolution 3.

The Corporations Act requires that a resolution be put to Shareholders that the Remuneration Report be adopted, but expressly provides that the vote is advisory only and does not bind the Directors or the Company.

If the Chairman is to act as your proxy in relation to Resolution 3 (whether by appointment or default) and you have not given instructions on how to vote by marking the appropriate box in the voting directions section of the proxy form, the proxy form expressly directs and authorises the Chairman to cast your vote for Resolution 3. This express authorisation is included because without it, the Chairman would be precluded from casting your votes, as the Resolution is connected with the remuneration of Key Management Personnel.

Key management personnel (including all Directors) and their closely related parties are prohibited from voting on the advisory resolution under Section 250R of the Corporations Act.

Shareholders will be given reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

In the event that you choose to appoint the Chairman as your proxy:

- The Chairman's voting intention is to vote in favour of this resolution to adopt the Remuneration Report.



- The attached Proxy Form provides that if the Chairman is appointed as proxy, the Chairman is directed to vote in accordance with the voting intention set out above, unless you direct the Chairman to vote in a different manner on your proxy form.
- The Chairman will only vote in accordance with his stated voting intention if the relevant box of the proxy form is ticked.

If the relevant box is un-ticked the Chairman will not be permitted to vote the relevant Shares on the resolution in relation to the Remuneration Report.

Voting exclusion

The Company will disregard and not count any votes cast on this resolution by or on behalf of a “Key Management Personnel” (as defined in the Accounting Standards as published by the Australian Accounting Standards Board) and their “Closely Related Parties” (as defined in the Corporations Act 2001) (**Restricted Voter**).

Key Management Personnel (**KMP**) are the Company’s Directors and Executives identified in the Company’s Remuneration Report. A Closely Related Party of a KMP means a spouse or child of the KMP, a child of the KMP’s spouse, a dependant of the KMP or the KMP’s spouse, anyone else who is one of the KMP’s family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP’s dealings with the Company or a company the KMP controls.

The Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed; and
- (b) it is not cast on behalf of a Restricted Voter.

Resolution 4 – Conditional Spill Resolution

The Corporations Act requires that a spill resolution be included in the notice of meeting where:

- The remuneration report at the previous AGM (in 2013) received a “no” vote of 25% or more; and
- At the 2014 AGM the remuneration report receives a “no” vote of 25% or more.

The spill resolution must require that:

- A spill meeting be held within 90 days of the AGM; and
- All directors (excluding the Managing Director) cease to hold office immediately before the spill meeting and an election to appoint persons to vacated offices occurs at the spill meeting



The Directors recommend that Shareholders vote AGAINST Resolution 4 to hold a Spill Meeting.

Voting exclusion

The Company will disregard and not count any votes cast on this resolution by or on behalf of a “Key Management Personnel” (as defined in the Accounting Standards as published by the Australian Accounting Standards Board) and their “Closely Related Parties” (as defined in the Corporations Act 2001) (**Restricted Voter**).



Key Management Personnel (**KMP**) are the Company's Directors and Executives identified in the Company's Remuneration Report. A Closely Related Party of a KMP means a spouse or child of the KMP, a child of the KMP's spouse, a dependant of the KMP or the KMP's spouse, anyone else who is one of the KMP's family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP's dealings with the Company or a company the KMP controls.

The Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed; and
- (b) it is not cast on behalf of a Restricted Voter.

Special Business

Resolution 5 – Removal of Director - Mr Allan Branch

Resolution 5 relates to the removal of Mr Allan Branch as a director of the Company.

Mr Branch is the Managing Director and was instrumental in leading the Company out of the crisis it faced in 2012, which he did within a period of just 18 months.

As a result Krucible now has funding in place to continue its activities.

Information as to why the Board believes that shareholders should support Mr Allan Branch by voting against the resolution to remove him from the Board are set out in detail in the attached statement of the Directors.

In summary, the Board considers that the removal of Mr Branch and the loss of his strategic and business development experience and expertise to the Board would severely hamper the activities of any future Board and the ability of the Company to successfully pursue its strategic goals.



The Directors (Dr Branch abstaining) recommend that Shareholders vote against Resolution 5 to remove Dr Allan Branch as a Director.

Resolution 6 – Appointment of Director - Dr Leon Eugene Pretorius

Resolution 6 relates to the appointment of Dr Leon Eugene Pretorius as a director of the Company.

Information on the proposed director is included in the attached statement supplied by Dr Pretorius. It was not prepared by the Company and is not supported by the Company.



The Directors recommend that Shareholders vote AGAINST Resolution 6 to appoint Dr Leon Eugene Pretorius as a Director.



GLOSSARY

In this Explanatory Memorandum and the Notice, the following terms have the following meaning unless the context otherwise requires:

AEST means Australian Eastern Standard Time, being the time in Brisbane, Queensland.

ASX means ASX Limited (ACN 008 724 791).

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 Krucible means Krucible Metals Limited (ABN 12 118 788 846).

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice of Meeting.

Listing Rule means the official Listing Rules of ASX.

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

Ordinary Resolution means a resolution requiring to be passed by a majority of such Shareholders, as being entitled to do so, vote in person or by proxy on such resolution.

Resolution means the resolutions referred to 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.



KRUCIBLE METALS LTD

All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

Level 7, 207 Kent Street,
Sydney NSW 2000 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:30 am (AEST) on Sunday 9th November 2014.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

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

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the 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 in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the 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 securities are to be voted on any item by inserting the percentage or number that 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 for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:30 am (AEST) on Sunday, 9th November 2014.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged:

📠 **By Fax** + 61 7 4772 4999

✉ **By Mail** Krucible Metals Limited
P.O. Box 499
Castletown, Townsville QLD 4812

👤 **In Person** Krucible Metals Limited
113 Boundary Street. Railway Estate
Townsville QLD 4810
Australia
Note: Office hours are 9:00 am – 5:00 pm
Monday to Friday excluding public holidays

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Krucible Metals Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Krucible Metals Ltd Offices, 113 Boundary St, Railway Estate, TOWNSVILLE QLD 4810, on Tuesday 11 November 2014 at 10.30am (AEST)** and at any adjournment of that meeting, to act 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.

You are encouraged to direct your proxy by marking the box in relation to the resolution in Step 2 below. Important note: Exercise of proxies by the Chairman for Resolution 3. I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in favour of Resolution 3 even though these resolutions are connected with the remuneration of members of the Key Management Personnel.

The Chair of the Meeting intends to vote undirected proxies in favour of resolutions 1, 2 & 3 and against 4, 5 & 6.

STEP 2 VOTING DIRECTIONS

* 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 vote will not be counted in calculating the required majority if a poll is called.

Ordinary Business – The Directors unanimously recommend that Shareholders vote FOR Resolutions 1, 2 & 3

		For	Against	Abstain*
Resolution 1	Re-Election of Director – Mr Andrew James Vigar	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Director – Mr Sean Kelly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Special Business – The Directors unanimously recommend that Shareholders vote AGAINST Resolutions 4, 5 & 6

Resolution 4	Conditional Spill Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Removal of Mr Allan Branch Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Election of Dr Leon Eugene Pretorius as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2014

To Krucible Metals Limited (ASX: KRB) Shareholders

The reason I lodged the request for a section 249D with KRB on 9 September 2014 is that I have been a loyal shareholder since 2007 and have continued contributing to its further fund raisings since with little satisfaction until the sale of the Company's Phosphate tenements to Australia New Agribusiness & Chemical Group Limited as announced to the ASX on 16 January 2014 (about a year after first announcing the deal).

Since then the share price and market capitalization has rarely exceeded 50% of the cash it has. This is and remains a serious concern given the Company and its Directors say they are assessing opportunities and options to increase the value of the Company, but to date the market does not even rate the Company's total value on par with its cash value. i.e. there is no value given to any of its existing projects or the potential upside of any deal the Company can enter into with its cash resources to grow the shareholder value with those resources.

Resolution 1 to remove the Managing Director / CEO of the Company, is to allow a new executive to increase the Company's profile and to ensure the market capitalization is a true reflection of its value.

Resolution 2 to appoint Leon Pretorius to join the Board as its Executive Director, is to bring exposure to the ASX, brokers and institutional investors. Through his network and contacts in the Australian mining industry and on other continents a steady flow of opportunities will be available for KRB to assess. While this is ongoing, the present portfolio of projects in the Company will undergo a critical review by past and present scientists and a short-term 'think-tank' of specialists in the field.

Resolution 3 subject to the Corporations Act 2001 (Cth) and the Company's constitution, is to pay a dividend of 5 (five) cents per share as a capital return to all shareholders on the Company's register as at the close of business on the date of the notice. This is to ensure that shareholders share in the cash resources in the Company that is not reflected in its market capitalization.

Abbreviated CV of LEON PRETORIUS

A Southern African born 63-year old who migrated to Australia in 1978 and became an Australian Citizen in 1983.

Relevant education includes:

BSc and BScHons degrees in Geology, Chemistry and Environmental Sciences at the University of the Free State in South Africa; MSc degree in the Geology and Geochemistry at University of Stellenbosch in South Africa and a PhD in Geology/Geochemistry at the University of Queensland in Australia. The latter thesis was awarded the Zinc Corporation Medal for excellence.

Working experience: 43-years of varied mineral exploration, mining, environmental and corporate experience in various parts of the world includes:

Commenced working career with Rio Tinto in Namibia in 1971 as a geochemist; Then Newmont in 1975 and working in the Karoo (Southern Africa), New Mexico and Wyoming (USA); After arrival in Australia, joined Utah Development (now part of BHP-Billiton) in 1978 and also worked as a consultant while completing PhD until joining Queensland Metals Corporation in 1981 leading to its successful ASX listing.

Given that exposure to listing an ASX Company, co-founded Queensland focused Keela-Wee Exploration in 1983 which was listed on the ASX in 1985 and gained corporate experience as its Managing Director and Executive Chairman.

A return to southern Africa resulted in formation of the private industrial mineral mining and beneficiation company Inca Mining in South Africa in 1991, which grew into a highly successful mid-tier miner and producer of limestone, dolomite and clay products with initial financial backing from the Industrial Development Corporation and Rand Merchant Bank. After a management buyout, remained as Principal and Managing Director until finally selling out of the Company in 2007.

Joined ASX (and TSX) listed Paladin Energy Limited in 2001 as an Executive Director actively involved in the Namibian Langer Heinrich and the Malawian Kayelekera uranium projects. Resigned from the Board of Paladin in 2005, but remained as a Director of its Namibian operating company 'Langer Heinrich Uranium (Pty) Ltd' until March 2012.

Joined ASX listed company Deep Yellow Limited as its Executive Chairman in 2005 and later its Managing Director, until resigning from the Board in 2010 to concentrate on developing the assets of its wholly owned subsidiary in Namibia (Reptile Uranium Namibia) and remained as its Managing Director until end 2012.

Joined ASX listed Icon Resources Limited as its Chairman in 2010 - now ASX listed Company Carbine Tungsten Limited (CNQ) and remained as its Executive Chairman until 30 June 2013. Project delivered the first wolframite concentrate from the tailings retreatment plant to Mitsubishi in July 2012.

Corporate and Financial Experience:

Executive Chairman or Managing Director of Listed (and unlisted) Australian, AIM, South African and Namibian Companies since 1985.

Been responsible for, or directly involved with, raising several hundred million USD from (and on) various stock markets around the world and started-up mining companies and (predominantly self-discovered) mines (four still operating) in a number of countries.

Registered professional investor since 1984.

Professional Registrations:

A fellow or member of a number of internationally recognised professional societies including FAusIMM(CP), MAIG, MGSSA and PrNatSci.

Regular invited speaker at international technical conferences and previous guest lecturer at Universities.

Chemical Research Patents:

Co-inventor of two internationally registered chemical patents, namely 'Magnepro' (production of calcium carbonate and magnesium oxide from impure sources of calcium and magnesium) and 'SAVMIN' (treatment of acid sulphate mine drainage - AMD).

Yours sincerely



Leon Pretorius
9 September 2014