

Dear Sir/Madam

RETIREMENT OF DIRECTOR AND APPOINTMENT OF NEW DIRECTOR

CHANGES TO ANNUAL GENERAL MEETING RESOLUTIONS

Retirement of Director and appointment of new Director

As announced today by Paradigm Metals Limited (ASX: PDM) ("the **Company**"), Dr Graham Carman (former Non-Executive Director) has resigned as a Director of the Company and the Board has confirmed the appointment of Dr Nicholas Lindsay as Non-Executive Director.

Dr Carman will no longer stand for re-election at the Company's upcoming Annual General Meeting to be held on 14 October 2014 (**AGM**) pursuant to Resolution 2. The Board and management wish to record their thanks to Dr Carman for his guidance and support during his tenure and wish him well for the future.

Changes to AGM Resolutions

As a result of Dr Carman's decision to resign as a Director of the Company, the Board advised shareholders that it has withdrawn Resolution 2 "*Re-election of Director – Dr Graham Carman*" as stated in the Notice of AGM which has been sent to shareholders.

Dr Lindsay will now retire by rotation at the AGM in accordance with the clause 8.1 of the Company's Constitution, and will stand for re-election at the meeting. Accordingly, the Directors intend to request shareholders at the AGM to consider and, if thought fit, pass, with or without amendment, the following resolution as an ordinary resolution (**New Resolution**):

"That, Dr Nicholas Lindsay, who retires as a Director in accordance with ASX Listing Rule 14.5 and clause 8.1 of the Constitution, and being eligible, offers himself for election, be and is hereby re-elected as a Director."

The Board considers there is not sufficient time for the Company to issue to shareholders an addendum to the Notice of AGM to include the New Resolution. The election of directors is part of the ordinary business of an annual general meeting, and the *Corporations Act 2001* (Cth) specifically permits a Company to propose a resolution for the election of directors notwithstanding the resolution was not referred to in the notice of meeting convening the annual general meeting.

The Directors (other than Dr Lindsay) unanimously recommend that shareholders vote in favour of the New Resolution.

Shareholders may vote on the New Resolution by attending the AGM, which will be held at 11.00am (WST) on 14 October 2014 at Level 1, 330 Churchill Avenue, Subiaco, Western Australia.

The withdrawal of Resolution 2 and the inclusion of the New Resolution do not affect the validity of the proxy form attached to the Notice of AGM or any proxy votes made pursuant to that proxy form. However, proxy votes in relation to Resolution 2 will be disregarded.

Yours sincerely,

Anthony Reilly
Managing Director
PARADIGM METALS LIMITED