



ABN 73 149 230 811

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**NOTICE OF ANNUAL GENERAL MEETING  
EXPLANATORY STATEMENT  
PROXY FORM**

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**Date of Meeting**

22 November 2016

**Time of Meeting**

12.00pm (WST)

**Place of Meeting**

RSM Bird Cameron  
8 St Georges Terrace  
PERTH WA 6000

**YOUR ANNUAL REPORT IS AVAILABLE ONLINE, SIMPLY VISIT:**

[www.metallum.com.au](http://www.metallum.com.au)

*This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.*

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9322 4328.*

## NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Shareholders of Metallum Limited ABN 73 149 230 811 (**Company**) is to be held on 22 November 2016 at RSM Bird Cameron, 8 St Georges Terrace, Perth, Western Australia, commencing at 12.00pm (WST) for the purpose of transacting the following business referred to in this Notice of Annual General Meeting (**Notice**).

Terms and abbreviations used in this Notice and accompanying Explanatory Statement are defined in the Glossary to the Explanatory Statement.

The Explanatory Statement that accompanies and forms part of this Notice describes the matters to be considered at this Meeting.

### Time and Place of Meeting

Notice is given that the Meeting will be held at 12.00pm (WST) on 22 November 2016 at:

RSM Bird Cameron  
8 St Georges Terrace  
PERTH WA 6000

### ORDINARY BUSINESS

#### Financial Statements – Year ended 30 June 2016

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2016 including the declaration of the Directors', the Directors' report, the Remuneration Report and the auditor's report as set out in the Company's Annual Report.

#### Resolution 1 – Non Binding Resolution to adopt Remuneration Report

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

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given to adopt the Remuneration Report as set out in the Annual Report for the year ended 30 June 2016."*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Statement for further details on the consequences of voting on this Resolution.

**Voting Prohibition Statement:** A vote on this Resolution must not be cast (in any capacity) by or on behalf of either 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 (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

## Resolution 2 – Re-election of Director – Mr Winton Willesee

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

*"That, for the purpose of clause 13.2 of the Company's Constitution, Listing Rule 14.4 and for all other purposes, Mr Winton Willesee, who retires in accordance with clause 13.2 of the Company's Constitution and being eligible and offering himself for re-election, be re-elected as a Director of the Company."*

## Resolution 3 – Ratification of issue of 3,000,000 Shares

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

*"That, for the purpose of Listing Rule 7.4 and all other purposes, Shareholders ratify the issue of 3,000,000 Shares on 17 March 2016 to sophisticated investors on the terms and conditions set out in the Explanatory Statement that forms part of this Notice."*

**Voting Exclusion:** The Company will disregard any votes cast on Resolution 3 by any of the persons who participated in the issue the subject of Resolution 3 and any person associated with those persons. However, the Company need not disregard a vote if the vote 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 the vote 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.

*For the purpose of this voting exclusion statement "associate" shall have the meaning set out in sections 12 and 16 of the Corporations Act. Section 12 of the Corporations Act is to be applied as if it was not confined to associate references occurring in Chapter 6 of the Corporations Act and on the basis that the Company is the "designated body".*

## Resolution 4 – Ratification of issue of 3,000,000 Options

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

*"That, for the purpose of Listing Rule 7.4 and all other purposes, Shareholders ratify the issue of 3,000,000 Options exercisable at \$0.024 each and expiring 31 July 2016, on 17 March 2016 to sophisticated investors on the terms and conditions set out in the Explanatory Statement that forms part of this Notice."*

**Voting Exclusion:** The Company will disregard any votes cast on Resolution 4 by any of the persons who participated in the issue the subject of Resolution 4 and any person associated with those persons. However, the Company need not disregard a vote if the vote 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 the vote 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.

*For the purpose of this voting exclusion statement "associate" shall have the meaning set out in sections 12 and 16 of the Corporations Act. Section 12 of the Corporations Act is to be applied as if it was not confined to associate references occurring in Chapter 6 of the Corporations Act and on the basis that the Company is the "designated body".*

## Resolution 5 – Approval of Additional 10% Placement Capacity

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

*"That, for the purpose of Listing Rule 7.1A and all other purposes, the Company approves the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement accompanying this Notice."*

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

## **Resolution 6 – Spill resolution**

**If less than 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report, the Chair will withdraw Resolution 6.**

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

*“That, for the purposes of section 250V(1) of the Corporations Act and for all other purposes, approval is given for:*

- (a) the Company to hold another meeting of Shareholders within 90 days of the date of this Meeting (**Spill Meeting**); and*
- (b) all Vacating Directors to cease to hold office immediately before the end of the Spill Meeting; and*
- (c) resolutions to appoint persons to offices that will be vacated pursuant to (b) to be put to vote at the Spill Meeting.”*

### **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.

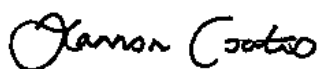
However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- b) the voter is the Chair and the appointment of the Chair as proxy:
  - i. does not specify the way the proxy is to vote on this Resolution; and
  - ii. expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

## **OTHER BUSINESS**

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

**DATED THIS 29<sup>TH</sup> DAY OF SEPTEMBER 2016  
BY ORDER OF THE BOARD**



**Shannon Coates  
Company Secretary**

## **How to vote**

Shareholders can vote by either:

- attending the meeting and voting in person or by attorney or, in the case of corporate shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post or by facsimile.

### **Voting in person (or by attorney)**

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting.

### **Voting by a Corporation**

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed.

### **Voting by proxy**

- A Shareholder who is entitled to attend and cast two or more votes may appoint two proxies. Each proxy will have the right to vote on a poll and also to speak at the meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies in accordance with section 249X of the Corporations Act (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy holder votes, they must cast all directed proxies as directed.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolution 1 if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Should any resolution, other than those specified in this Notice, be proposed at the meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the shares that are

the subject of the proxy appointment will not be counted in calculating the required majority.

- Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf, who must vote the proxies as directed.
- 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 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).
- Section 250BC of the Corporations Act provides that if an appointment of a proxy specified 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 the proxy is not recorded as attending the meeting or 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 of the meeting.
- To be effective, proxies must be lodged by 12.00pm (WST) on 20 November 2016. Proxies lodged after this time will be invalid.
- Proxies may be lodged using any of the following methods:
  - (a) by returning a completed proxy form in person to Suite 5, 62 Ord Street, West Perth, Western Australia 6005; or
  - (b) by faxing a completed proxy form to or by fax to +61 8 9322 5230.

The proxy form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 12.00pm (WST) on 22 November 2016. If facsimile transmission is used, the power of attorney must be certified.

### **Shareholders who are entitled to vote**

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 4.00pm (WST) on 20 November 2016.

## **EXPLANATORY STATEMENT**

This Explanatory Statement has been prepared to provide shareholders with material information to enable them to make an informed decision on the business to be conducted at the 2016 Annual General Meeting of Metallum Limited (**Company**).

The Directors recommend shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

Certain terms and abbreviations used in this Explanatory Statement have defined meanings which are explained in the glossary appearing at the end of this Explanatory Statement.

## **FINANCIAL STATEMENTS – YEAR ENDED 30 JUNE 2016**

The first item of the Notice deals with the consolidated annual financial report of the Company for the financial year ended 30 June 2016 together with the Directors' declaration, the Directors' report, the Remuneration Report and the auditor's report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered. The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The reports are available on the Company's website at [www.metallum.com.au](http://www.metallum.com.au).

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide Shareholders a reasonable opportunity to ask the auditor questions relevant to:

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

## **RESOLUTION 1 – NON BINDING RESOLUTION TO ADOPT REMUNERATION REPORT**

The Directors' report for the year ended 30 June 2016 contains a Remuneration Report which sets out the policy for the remuneration of the Directors and executives of the Company. The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, section 250R(3) of the Corporations Act expressly provides that the vote on the Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any share based compensation. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for a financial year.

The Chair must allow a reasonable opportunity for Shareholders to ask questions about or make comments on the Remuneration Report at the Annual General Meeting.

### Voting consequences

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.

### Previous Voting Results

At the Company's previous annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were more than 25%. Accordingly, the Spill Resolution will be relevant for this Annual General Meeting if at least 25% of the votes cast on the Remuneration Report resolution are voted against adoption of the Remuneration Report. Refer to Resolution 6 and page 19 for further information.

### Voting Restriction

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

Proxy	Directions given	No directions given
Key Management Personnel <sup>1</sup>	Vote as directed	Unable to vote <sup>3</sup>
Chair <sup>2</sup>	Vote as directed	Able to vote at discretion of Proxy <sup>4</sup>
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

<sup>1</sup> Refers to 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.

<sup>2</sup> Refers to the Chair (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.

<sup>3</sup> 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.

<sup>4</sup> The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.



## RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR WINTON WILLESEE

Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

Clause 13.2 of the Company's Constitution provides that:

- (a) at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election;
- (b) the Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots;
- (c) a Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election; and
- (d) in determining the number of Directors to retire, no account is to be taken of:
  - (i) a Director who only holds office until the next annual general meeting pursuant to clause 13.4 of the Constitution; and/ or
  - (ii) a Managing Director,each of whom are exempt from retirement by rotation.

The Company currently has 3 Directors and accordingly Mr Willesee has agreed to retire and offer himself for re-election.

Mr Willesee retires by rotation in accordance with clause 13.2 of the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election.

**Mr Winton Willesee**, Chairman, BBus., DipEd., PGDipBus., MCom., FFin, CPA, MAICD, AGIA, ACIS

Mr Willesee is an experienced company director. He brings a broad range of skills and experience in strategy, company development, corporate governance, company public listings, merger and acquisition transactions and corporate finance. Mr Willesee has considerable experience with ASX listed and other companies over a broad range of industries having been involved with many successful ventures from early stage through to large capital development projects.

Mr Willesee has fulfilled the role of chairman and/or director of a number of listed companies. Mr Willesee holds formal qualifications in economics, finance, accounting, education and governance. He is a Fellow of the Financial Services Institute of Australasia, a Member of the Australian Institute of Company Directors, a Member of CPA Australia and a Chartered Secretary.

### *Directors' Recommendation*

The Board (other than Mr Willesee) recommends Shareholders vote in favour of the Resolution.

## RESOLUTIONS 3 AND 4 – RATIFICATION OF SHARES AND OPTIONS

### *Background*

As announced on 15 October 2015, the Company entered into a Convertible Loan Agreement with various lenders pursuant to which the Company could draw down funds at an interest rate of 20% per annum to be paid in shares and options, subject to shareholder approval.

On 26 February 2016, the Company received shareholder approval for the issue of the 8,000,000,000 Shares and 8,000,000,000 attaching Options pursuant to the Convertible Loan Agreement, on a pre-consolidation basis. 15,000,000 Share and 15,000,000 Options were subsequently issued pursuant to this pre-approval (on a post-consolidation basis) on 17 March 2016.

On 17 March 2016, a further 3,000,000 Shares and 3,000,000 attaching Options were issued to the lenders in conversion of the interest component of the Convertible Loan Agreement under the provisions of Listing Rule 7.1 which allows a listed Company to issue during a 12 month period, without shareholder approval, up to 15% of the number of securities on issue at the commencement of that 12 month period.

Listing Rule 7.1 broadly provides that a company may issue equity securities up to 15% of its issued capital in any 12 month period without shareholder approval. Prior shareholder approval is required if the issue or agreement to issue (when aggregated with other issues of equity securities made in the previous 12 months without shareholder approval) exceed the 15% limit.

Listing Rule 7.4 permits the ratification of securities issued without shareholder approval under Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1. The purpose of such ratification is to restore the company's power to issue further securities without shareholder approval within the 15% limit.

Accordingly, Resolutions 3 and 4 seeks Shareholder ratification of the issue of the 3,000,000 Shares and 3,000,000 Options under Listing Rule 7.4 to provide flexibility for the Company to issue equity securities in the future under the 15% placement capacity under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **Technical information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the issue of the Shares the subject of this Resolution:

- (a) 3,000,000 Shares were issued at a deemed issue price of \$0.02 per Share and 3,000,000 Options as free attaching options;
- (b) the Shares issued are fully paid ordinary shares in the capital of the Company and rank equally with the Company's existing Shares and the Options were exercisable at \$0.024 each on or before 31 July 2016;
- (c) the Shares and Options were issued to lenders pursuant to the Convertible Loan Agreement all of whom were sophisticated investors and not related parties of the Company;

- (d) no funds were raised from the issue of the Shares and Options as they were issued pursuant to the Convertible Loan Agreement as announced 15 October 2015; and
- (e) a voting exclusion statement has been included for the purposes of each Resolution 3 and 4.

## **RESOLUTION 5 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY**

### *Background*

Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**Additional 10% Placement Capacity**). The Additional 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An entity will be eligible to seek approval under Listing Rule 7.1A if: (a) the entity has a market capitalisation of \$300 million or less; and (b) the entity is not included in the S&P/ASX 300 Index. The Company is an Eligible Entity for the purposes of Listing Rule 7.1A as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$2,572,627 as at 29 September 2016.

If Shareholders approve Resolution 5, the number of Equity Securities to be issued under the Additional 10% Placement Capacity will be determined in accordance with the formula set out in Listing Rule 7.1A.2 (as set out below).

The Company is putting Resolution 5 to Shareholders to seek approval to issue additional Equity Securities under the Additional 10% Placement Capacity. It is anticipated that funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity would be applied as set out in this Resolution below.

### *Listing Rule 7.1A*

The effect of Resolution 5 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below), without subsequent Shareholder approval and without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice the Company has one class of quoted Equity Securities on issue, being the Shares (ASX Code: MNE).

Based on the number of Shares on issue at the date of this Notice, the Company will have 135,401,400 Shares on issue and therefore, subject to Shareholder approval being sought under Resolution 5, 13,540,140 Equity Securities will be permitted to be issued in accordance with Listing Rule 7.1A. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based on the formula set out in Listing Rule 7.1A at the time of issue of the Equity Securities. The table below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

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 x D) – E
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Where:

- A is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
  - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
  - (iv) less the number of Shares cancelled in the previous 12 months.
- D is 10%.
- E is 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.

Resolution 5 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

*Specific information required by Listing Rule 7.3A*

The following information in relation to this Resolution 5 is provided to Shareholders for the purposes of Listing Rule 7.3A:

- (a) **Minimum Price:** The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities in that class over the 15 Trading Days on which shares 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 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) **Risk of voting dilution:** If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Capacity, the existing Shareholders' economic and voting interests in the Company will be diluted. There is also a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and

- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in 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.

The table shows:

- (a) examples of where variable "A" is at its current level and where variable "A" has increased by 50% and by 100%;
- (b) examples of where the issue price of ordinary securities is the current market price as at close of trade on 29 September 2016, being \$0.019, (current market price), where the issue price is halved, and where it is doubled; and
- (c) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.

Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.0095 Issue Price at half the current market price	\$0.019 Issue Price at current market price	\$0.038 Issue Price at double the current market price
<b>Current Variable A</b> 135,401,400 Shares	<b>Shares issued – 10% voting dilution</b>	13,540,140	13,540,140	13,540,140
	<b>Funds raised</b>	\$128,631	\$257,263	\$514,525
<b>50% increase in current Variable A</b> 203,102,100 Shares	<b>Shares issued – 10% voting dilution</b>	20,310,210	20,310,210	20,310,210
	<b>Funds raised</b>	\$192,947	\$385,894	\$771,788
<b>100% increase in current variable A</b> 270,802,800 Shares	<b>Shares issued – 10% voting dilution</b>	27,080,280	27,080,280	27,080,280
	<b>Funds raised</b>	\$257,263	\$514,525	\$1,029,051

\*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.

The table above uses the following assumptions:

- (a) There are currently 135,401,400 Shares on issue.

- (b) The issue price set out above is the closing price of the Shares on the ASX on 29 September 2016.
- (c) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (d) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval or ratification under ASX Listing Rule 7.1.
- (e) 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.
- (f) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- (g) No Options are exercised before the date of the issue of the Equity Securities.
- (h) The issue of Equity Securities under the Additional 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, for the purposes of the above table, it is assumed that those quoted Options are exercised.
- (i) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (j) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

**Approval of the Additional 10% Placement Capacity will be valid from the date of the Annual General Meeting and will expire on the earlier of:**

- (a) the date that is 12 months after the date of the Annual General Meeting; and
- (b) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), **(Additional Placement Period)** after which date, an approval under Listing Rule 7.1A ceases to be valid.

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

- (a) cash consideration. If Equity Securities are issued for cash consideration, the Company intends to use the funds for exploration or development on its existing assets, to acquire new assets or investments and/or general working capital purposes; or
- (b) non-cash consideration for the acquisition of new assets in, or complementary to, the resources sector. If Equity Securities are issued for non-cash consideration, the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 in relation to such issue and will release the valuation of the non-cash consideration to the market.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

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

- (a) the prevailing market conditions at the time of the issue;
- (b) the purpose of the issue;
- (c) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities and whether the raising of any funds under such placement could be carried out by alternative means such as an entitlements offer, a placement and another offer where existing Shareholders may participate;
- (d) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of the proposed issued of Equity Securities;
- (e) the effect of the issue of the Equity Securities on the control of the Company;
- (f) the circumstances of the Company, including, but not limited to the financial situation and solvency of the Company; and
- (g) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

The Company notes that:

- (a) the Board has formed no specific intentions to offer any placement to any existing Shareholders, class of Shareholders or any new investors;
- (b) the Board will always consider, prior to making any placement whether the raising of funds could be achieved by means of an entitlements issue to existing Shareholders; and
- (c) if any issue is announced, the Company would disclose its reasons for undertaking that particular issue rather than an entitlements issue to existing shareholders, should that occur.

The recipients under the Additional 10% Placement Capacity have not been determined as at the date of this Notice. They may, however, include current Shareholders, substantial Shareholders and/or new investors none of whom will be related parties (or their associates) of the Company.

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

A voting exclusion statement is included in the Notice.

At the date of the Notice, the Company has not determined its allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the Additional 10% Placement Capacity, and therefore no Shareholder will be excluded from voting on Resolution 5.

**When the Company issues Equity Securities pursuant to the Additional 10% Placement Capacity, it will give to ASX:**

- (a) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (b) the information required by Listing Rule 3.10.5A for release to the market.

**Specific Information required by Listing Rule 7.3A.6:**

On 30 November 2015, the Company sought and received Shareholder Approval for the Additional 10% Placement Capacity at its Annual General Meeting (**Previous Approval**). Pursuant to Listing Rule 7.3A.6 the following information is provided to Shareholders.

- (a) No Equity Securities have been issued pursuant to the Previous Approval.
- (b) The total number of Equity Securities issued otherwise in the 12 months before this Meeting (that is, since 30 November 2015) is 133,273,068 Shares and 132,729,443 Options which represents approximately 24% of the total diluted number of Equity Securities on issue in the Company on 30 November 2015. The total number of Equity Securities on issue as at 30 November 2015 was 1,107,188,628 (2,767,971 on a post consolidation basis) being 851,199,739 (2,127,999 on a post consolidation basis) Shares and 255,988,889 Options (639,972 on a post consolidation basis).
- (c) The table attached as Schedule 1 shows details of all issues of Equity Securities by the Company since 30 November 2015.

*Directors' Recommendation*

The Board recommends Shareholders vote in favour of this Resolution.

**RESOLUTION 6 – SPILL RESOLUTION**

**If less than 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report, the Chair will withdraw Resolution 6.**

*Background*

The Corporations Act requirements for this Resolution to be put to vote are set out on page 9.

The effect of this Resolution being passed is the Company will be required to hold another meeting of Shareholders within 90 days of the date of this Meeting (**Spill Meeting**) and the Vacating Directors will cease to hold office immediately before the end of the Spill Meeting. The business of the Spill Meeting will be to put to vote resolutions to appoint persons to offices vacated by the Vacating Directors.

In the event a Spill Meeting is required a separate notice of meeting will be distributed to Shareholders with details about those persons that will seek election as directors of the Company at the Spill Meeting.

Shareholders appointing a proxy for this Resolution should note the voting restrictions applying to Resolution 1 apply in the same manner to this Resolution.



## **GLOSSARY**

The following terms have the following meanings in this Explanatory Statement:

**"Accounting Standards"** has the meaning given to that term in the Corporations Act;

**"Additional 10% Placement Capacity"** has the meaning set out on page 11;

**"Annual General Meeting"** means the annual general meeting the subject of the Notice;

**"Annual Report"** means the annual financial report of the Company for the year ended 30 June 2016;

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

**"Board"** means the board of Directors;

**"Closely Related Party"** 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) for the purposes of the definition of 'closely related party' in the Corporations Act;

**"Company"** means Metallum Limited (ABN 73 149 230 811);

**"Constitution"** means the constitution of the Company;

**"Corporations Act"** means the Corporations Act 2001 (Cth);

**"Director"** means a director of the Company;

**"Eligible Entity"** means an entity that, at the date of the relevant general meeting:

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

**"Equity Securities"** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security;

**"Explanatory Statement"** means this explanatory statement accompanying the Notice;

**"Key Management Personnel"** has the meaning given to that term in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the

activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group;

**"Listing Rules"** means the Listing Rules of the ASX;

**"Meeting"** means the annual general meeting the subject of this Notice;

**"Notice"** or **"Notice of Meeting"** means the notice of annual general meeting accompanying this Explanatory Statement;

**"Option"** means an option to acquire a Share;

**"Ordinary Securities"** has the meaning set out in the ASX Listing Rules;

**"Remuneration Report"** means the remuneration report set out in the Director's report section of the Company's Annual Report;

**"Restricted Voter"** means Key Management Personnel and their Closely Related Parties;

**"Resolution"** means a resolution the subject of the Notice;

**"Share"** means an ordinary fully paid share in the capital of the Company;

**"Trading Day"** means a day determined by ASX to be a trading day in accordance with the Listing Rules;

**"Variable A"** means "A" as set out in the calculation on page 13 of the Explanatory Statement; and

**"WST"** means Australian Western Standard Time.

## SCHEDULE 1

Securities Issued post 30 November 2015	Terms and quantity of Securities issued	Names of the persons to whom the Securities were issued	Issue Price	Discount to market price on date of issue <sup>1</sup>	Total cash consideration received	Use of funds or intended use of funds for remaining consideration	Non-cash consideration and current value
17 March 2016	100,000,000 Shares <sup>2</sup> 100,000,000 Options <sup>4</sup>	Shares and free attaching Options to be issued pursuant to Prospectus lodged with ASIC on 8 February 2016	Shares - \$0.02 Options - No issue price (non-cash consideration)	Shares – 60% Options – Nil - (non-cash consideration)	Shares - \$2,000,000 Options – Nil - (non-cash consideration)	Amount raised = \$2,000,000 Amount spent = N/A Use of funds = N/A Amount remaining = N/A Proposed use of remaining funds N/A	Consideration: The Options were issued for nil cash consideration as attaching options to the capital raising. Option current value <sup>4</sup> = \$3,000,000
17 March 2016	18,000,000 Shares <sup>2</sup> 18,000,000 Options <sup>4</sup>	Shares and free attaching Options issued to lenders on conversion of convertible loans	Shares deemed issue price of \$0.02 Options - No issue price (non-cash consideration)	Shares – 60% Options – Nil - (non-cash consideration)	Shares - \$360,000 – Issued in lieu of cash consideration pursuant to a loan agreement Options – Nil - (non-cash consideration)	Amount raised = \$360,000 Amount spent = N/A Use of funds = N/A Amount remaining = N/A Proposed use of remaining funds N/A	Consideration: The Options were issued for nil cash consideration as attaching options to the lenders Share current value <sup>4</sup> = \$342,000 Option current value <sup>4</sup> = \$540,000
17 March 2016	8,906,938 Shares <sup>2</sup> 8,906,938 Options <sup>4</sup>	Shares and free attaching Options issued on conversion of fees to related parties	Shares deemed issue price of \$0.02 Options - No issue price (non-cash consideration)	Shares – 60% Options – Nil - (non-cash consideration)	Shares - \$178,139 – Issued in lieu of cash consideration Options – Nil - (non-cash consideration)	Amount raised = \$178,139 Amount spent = N/A Use of funds = N/A Amount remaining = N/A Proposed use of	Consideration: The Options were issued for nil cash consideration as attaching options to the lenders Share current

						remaining funds = N/A	value <sup>4</sup> = \$169,232 Option current value <sup>4</sup> = \$267,208
17 March 2016	5,822,505 Shares <sup>2</sup> 5,822,505 Options <sup>4</sup>	Shares and free attaching Options issued to certain creditors.	Shares deemed issue price of \$0.02 Options - No issue price (non-cash consideration)	Shares – 60% Options – Nil - (non-cash consideration)	Shares - \$116,450 – Issued in lieu of cash consideration Options – Nil - (non-cash consideration)	Amount raised = \$178,139 Amount spent = N/A Use of funds = N/A Amount remaining = N/A Proposed use of remaining funds = N/A	Consideration: The Options were issued for nil cash consideration as attaching options to the lenders Share current value <sup>4</sup> = \$110,627 Option current value <sup>4</sup> = \$174,675
10 June 2016	493,625 Shares <sup>2</sup>	Optionholder on exercise of 493,625 options.	\$0.024 per Share	20%	\$11,847	Not applicable	Not applicable
12 August 2016	50,000 Shares <sup>2</sup>	Optionholder on exercise of 50,000options.	\$0.024 per Share	20%	\$1,200	Not applicable	Not applicable

## Notes

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: MNE (terms are set out in the Constitution).
3. Unquoted Options, exercisable at \$0.024 each, on or before 31 July 2016.
4. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.019) as the context requires on the ASX on the trading day prior to the date of this Notice. In respect of unquoted Equity Securities the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).

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## SCHEDULE 2 – TERMS OF OPTIONS

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### 1. Exercise Price

The exercise price of each Option is \$0.024.

### 2. Entitlement

Each Option shall entitle the holder the right to subscribe (in cash) for one Share in the capital of the Company.

### 3. Option Period

The Options will expire at 5.00pm WST on 31 July 2016. Options may be exercised at any time prior to the expiry date and Options not so exercised shall automatically expire on the expiry date.

### 4. Ranking of Share Issued on Exercise of Option

Each Share issued as a result of the exercise of any Option will, subject to the Constitution of the Company, rank in all respects *pari passu* with the existing Shares in the capital of the Company on issue at the date of issue.

### 5. Voting

A registered owner of an Option (**Option Holder**) will not be entitled to attend or vote at any meeting of the members of the Company unless they are, in addition to being an Option Holder, a member of the Company.

### 6. Transfer of an Option

Options are transferable at any time prior to the expiry date. This right is subject to any restrictions on the transfer of Options that may be imposed by the ASX in circumstances where the Company is listed on the ASX and the Corporations Act.

### 7. Method of Exercise of an Option

- (a) The Company will provide to each Option Holder a notice that is to be completed when exercising the Options (**Notice of Exercise of Options**). Options may be exercised by the Option Holder by completing the Notice of Exercise of Options and forwarding the same to the Company Secretary to be received prior to the expiry date. The Notice of Exercise of Options must state the number of Options exercised and the consequent number of ordinary shares in the capital of the Company to be issued; which number of Options must be a multiple of 2,500 if only part of the Option Holder's total Options are exercised, or if the total number of Options held by an Option Holder is less than 2,500, then the total of all Options held by that Option Holder must be exercised.
- (b) The Notice of Exercise of Options by an Option Holder must be accompanied by payment in full for the relevant number of shares being subscribed.
- (c) The exercise of less than all of an Option Holder's Options will not prevent the Option Holder from exercising the whole or any part of the balance of

the Option Holder's entitlement under the Option Holder's remaining Options.

- (d) Within 14 days from the date the Option Holder properly exercises options held by the Option Holder, the Company shall issue to the Option Holder that number of Shares in the capital of the Company so subscribed for by the Option Holder.
- (e) If the Company is listed on the ASX, the Company will apply to the ASX for, and use its best endeavours to obtain, Official Quotation of all such Shares, in accordance with the Corporations Act and the Listing Rules of the ASX.

#### **8. ASX Listing**

The Company will not apply for Quotation of the Options on the ASX.

#### **9. Reconstruction**

In the event of a 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.

#### **10. Participation in New Share Issues**

There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its shareholders from time to time prior to the expiry date unless and until the Options are exercised. The Company will ensure that during the exercise period, the record date for the purposes of determining entitlements to any new such issue will be such date required to satisfy the Listing Rules in order to afford the Option Holder an opportunity to exercise the Options held by the Option Holder.

#### **11. No Change of Options' Exercise Price or Number of Underlying Shares**

Subject to clause 9, there are no rights to change the exercise price of the Options or the number of underlying Shares.

Holder Number:

# Vote by Proxy

## STEP 1: Please appoint a Proxy

### Appoint a proxy:

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of the Company, to be held at 12.00 pm (WST) on 22 November 2016 at RSM Bird Cameron, 8 St Georges Terrace, Perth, Western Australia (Meeting) hereby:

**Appoint the Chairman of the Meeting (Chair)** OR if you are not appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote, except for Resolution 6 which would vote against (if required).**

Unless indicated otherwise by ticking the "for," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

#### AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

## STEP 2: Voting Direction

Please mark ☒ to indicate your direction.

For Against Abstain

#### Resolutions

- 1 Non Binding Resolution to adopt Remuneration Report
- 2 Re-election of Director – Mr Winton Willesee
- 3 Ratification of issue of 3,000,000 Shares
- 4 Ratification of issue of 3,000,000 Options
- 5 Approval of Additional 10% Placement Capacity
- 6 Spill Resolution (if required)

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.*

## STEP 3

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1

Securityholder 2

Securityholder 3




Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2016

Email Address .....

## HOW TO COMPLETE THIS PROXY VOTING FORM

### LODGING YOUR PROXY VOTE

This Proxy Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by **12.00pm (WST) on Sunday, 20 November 2016**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting Forms received after that time will not be valid for the scheduled Meeting.

Proxy Voting Forms can be lodged:

#### BY MAIL

Suite 5, 62 Ord Street, West Perth, Western Australia 6005

#### BY FAX

+61 8 9322 5230

#### ALL ENQUIRIES TO

Telephone: 1300 288 664 Overseas: + 61 2 9698 5414

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/loginsah> Shareholders sponsored by a broker should advise their broker of any changes.

### VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. If you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services on 1300 288 664 or you may copy this form.

### SIGNING INSTRUCTIONS

You must sign this Proxy Voting Form as follows in the spaces provided

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all of the Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a notice of meeting, Proxy Voting Form and annual report via email.**

### CORPORATE REPRESENTATIVES

If a representative of a corporate shareholder is to attend the Meeting, the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting 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.