

Notice of Annual General Meeting and Explanatory Memorandum

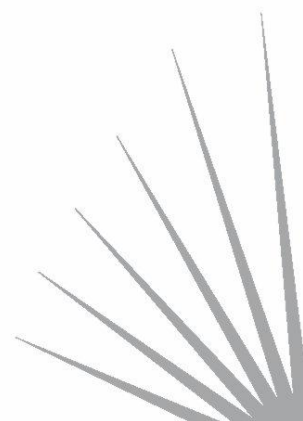
Mt Isa Metals Limited

ABN 59 120 212 017

Date of Meeting: 23 November 2011

Time of Meeting: 10.00am (EST/Brisbane time)

Place of Meeting: Level 7, Waterfront Place, 1 Eagle Street, Brisbane Qld 4000



Notice is given that the Annual General Meeting of shareholders of Mt Isa Metals Limited ABN 59 120 212 017 (**Company**) will be held at Level 7, Waterfront Place, 1 Eagle Street, Brisbane Qld 4000, on 23 November 2011 at 10.00am (EST/Brisbane time).

Agenda

ORDINARY BUSINESS

Financial Reports

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to and forming part of the accounts for the Company and its subsidiaries for the financial year ended 30 June 2011.

1. Resolution One – Re-election of Mr John Bovard as a Director

To consider and, if thought fit, pass the following Ordinary Resolution, without amendment:

"That Mr John Bovard who retires in accordance with Rule 38.1 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

2. Resolution Two - Remuneration Report

To consider and, if thought fit, pass the following Advisory Resolution:

"That, the Remuneration Report for the year ended 30 June 2010 (as set out in the Directors Report) is adopted."

Voting

Terms used in this Notice of Meeting are defined in the Interpretation section of the accompanying Explanatory Memorandum.

The vote on Resolution Two is advisory only and does not bind the Directors of the Company.

Voting Restriction pursuant to Section 250R(4) of the Corporations Act

A vote on Resolution Two 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, the above persons may cast a vote on Resolution Two if:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) the vote is not cast on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member.

ASIC Relief

The Company has obtained relief from ASIC allowing the Chairman to vote undirected proxies on the conditions set out in the Explanatory Memorandum.

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the resolutions the subject of this Meeting, including Resolution Two.

GENERAL BUSINESS

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

Specific comments relating to the Resolutions are set out in the Explanatory Memorandum.

By order of the Board

P Harding-Smith, Company Secretary
21 October 2011

Explanatory Memorandum

Introduction

This Explanatory Memorandum is provided to shareholders of Mt Isa Metals Limited ABN 59 120 212 017 (Company) to explain the resolutions to be put to Shareholders at the Annual General Meeting to be held at Level 7, Waterfront Place, 1 Eagle Street, Brisbane Qld 4000 on 23 November 2011 commencing at 10.00am (EST/Brisbane time).

The Directors recommend shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Terms used in this Explanatory Memorandum are defined in the Interpretation section.

1. Consider the Company's Annual Report

The Corporations Act requires the financial report, the directors' report and the auditor's report to be laid before the Annual General Meeting. There is no requirement either in the Corporations Act or in the Constitution of the Company for Shareholders to approve the financial report, the directors' report or the auditor's report. The Company's Annual Report is placed before the shareholders for discussion. No voting is required for this item.

2. Resolution One – Re-Election of Mr John Bovard as a Director

Mr Bovard retires in accordance with the Company's Constitution and, being eligible, offers himself for re-election as a Director.

Mr Bovard is a civil engineer and has over 45 years' experience in mining, heavy construction, project development and corporate management. His career has included roles as CEO of public companies and both executive and non-executive directorships in the resources industry.

He holds a Bachelor of Civil Engineering, and is a Fellow of the Australian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Company Directors.

Mr Bovard is the Chairman of the Board and a member of the Audit and Risk Management Committee.

Mr Bovard also serves as non –executive Chairman of the ASX listed company Australian Pacific Coal Limited (formally Pacific Enviromin Limited) (since October 2009) and a non-executive Director of AIM listed Solomon Gold plc (November 2009).

The Directors (with Mr Bovard abstaining) recommend that you vote in favour of this Ordinary Resolution.

3. Resolution Two - Remuneration Report

The Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding Advisory Resolution.

The Remuneration Report is set out in the Directors' Report section of the Annual Report. The Annual Report is available to download on the Company's website, www.mtisametals.com.au. The Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive directors and senior executives of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- sets out remuneration details for each Director and the most highly remunerated senior executive of the Company; and
- details and explains any performance conditions applicable to the remuneration of executive directors and senior executives of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

As a result of amendments to the Corporations Act which came into effect on 1 July 2011, members of the Key Management Personnel and their proxies and Closely Related Parties are restricted from voting on a resolution (**Voting Restriction**) put to Shareholders that the remuneration report of the Company be adopted. Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Voting Restriction does not apply where the Chairman or any other member of the Key Management Personnel is appointed in writing (by a shareholder who is not a member of the Key Management Personnel) as a proxy (**Management Proxy**) with specific instructions on how to vote on a resolution to adopt the remuneration report of the Company. It is not clear in the amendments to the Corporations Act whether the Management Proxy will be able to vote where the proxy appointment does not give specific instructions on how to vote on a resolution to adopt the remuneration report. In order to resolve this, during 2011, the Federal Government proposes to amend the Corporations Act to make clear that a chairperson is permitted to vote undirected proxies on remuneration report resolutions.

In order to ensure strict compliance with the relevant provisions of the Corporations Act in relation to the Voting Restriction, the Company has obtained from ASIC relief allowing the Chairman to vote undirected proxies. The relief applies to the casting of a vote of the Chairman in the following circumstances:

- (a) Mr John Bovard or, in the alternative, Mr Michele Muscillo has been elected, by either the directors or the members of the Company, to be the chair of the AGM of the Company to be held on or about 23 November 2011 and at any adjournment or postponement of that meeting;
- (b) the chair has been appointed by a member of the Company who is not a person mentioned in paragraph (a) or (b) of subsection 250R(4) as the member's proxy to attend and vote for the member at the meeting in relation to the resolution;
- (c) the appointment does not specify the way the chair is to vote on the resolution;

- (d) the appointment expressly authorises the chair to exercise the proxy in relation to the resolution even if resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, which includes the chair;
- (e) the notice of the meeting and the proxy form which accompanies the notice of meeting contains a statement as to how the chair, if appointed as the member's proxy and the appointment does not specify the way the chair is to vote on the resolution, intends to vote on the resolution; and
- (f) the proxy form which accompanies the notice of meeting is substantially in the form of the draft proxy form provided to ASIC on 5 October 2011.

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the resolutions the subject of this Meeting, including this Resolution Two.

The Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report. A vote on this resolution is advisory only and does not bind the Directors of the Company.

INTERPRETATION

ASIC means the Australian Securities and Investments Commission.

ASX means the ASX Limited ABN 98 008 624 691.

Board means the board of Directors of the Company.

Closely Related Party (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member; or
- (b) a child of the member's spouse; or
- (c) a dependant of the member or the member's spouse; or
- (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 dealings with the entity; or
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purposes of this paragraph.

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

Company means Mt Isa Metals Limited ABN 59 120 212 017.

Directors means the directors of the Company.

Key Management Personnel has the definition given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

Listing Rules means the Listing Rules of ASX Limited.

Meeting means this Annual General Meeting.

Notice of Meeting means the notice of meeting convening the Meeting and the Explanatory Memorandum.

Ordinary Resolution means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders.

Resolution means a resolution to be proposed at the Meeting.

Shareholder means a holder of ordinary shares in the Company.

Shares means ordinary fully paid shares in the issued capital of the Company.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Peter Harding-Smith (Company Secretary):

Mt Isa Metals Limited

Street address: Level 5, 60 Edward Street, Brisbane Q 4000

Postal address: GPO Box 5261, Brisbane Q 4001

Ph: (07) 3303 0624 | **Fax:** (07) 3303 0681

Email: info@mtisametals.com.au

Proxy, Representative and Voting Entitlement Instructions

Proxies and Representatives

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under Section 250D of the Corporations Act.

The proxy form must be signed by the shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, in a manner permitted by the Corporations Act.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be deposited at, posted to, or sent by facsimile transmission to the address listed below not less than 48 hours before the time for holding the meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

Mt Isa Metals Limited

Street address: Level 5, 60 Edward Street, Brisbane Q 4000

Postal address: GPO Box 5261, Brisbane Q 4001

Ph: (07) 3303 0624 | **Fax:** (07) 3303 0681

Email: info@mtisametals.com.au

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company.

A proxy form is attached to this Notice.

Voting entitlement

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm (EST/Brisbane time) on 21 November 2010. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Signing instructions

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

Individual:	Where the holding is in one name, the holder must sign.
Joint Holding:	Where the holding is in more than one name, all of the security holders should sign.
Power of Attorney:	To sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies:	Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Proxy Form

STEP 1: APPOINTMENT OF PROXY



being shareholder(s) of Mt Isa Metals Limited (Company) hereby appoint:

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

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Mt Isa Metals Limited to be held at Level 7, Waterfront Place, 1 Eagle Street Brisbane, QLD on 23 November 2011 at 10.00am (EST/Brisbane time) and at any adjournment of that meeting.

IMPORTANT NOTE

The Chairman of the Meeting intends to vote undirected proxies **in favour of each resolution**. If the Chairman of the Meeting is your proxy (or becomes your proxy by default), you authorise the Chairman to exercise your proxy on Resolution Two, that the Remuneration Report for the year ended 30 June 2011 (as set out in the Directors' Report) is adopted, even though the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel, which includes the Chairman. If you do **not** wish to authorise the Chairman to vote in this way, you should direct your vote in accordance with Step 2 below.

If the Chairman is appointed as your proxy, or may be appointed by default, you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

If no directions are given, the Proxy may vote as the Proxy thinks fit or may abstain. By signing this appointment you acknowledge that the Proxy (whether voting in accordance with your directions or voting in their discretion under an undirected Proxy) may exercise your proxy even if he/she has an interest in the outcome of the resolution and even if votes cast by him/her other than as proxy holder will be disregarded because of that interest.

If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is%. (An additional proxy form will be supplied by the Company on request).

If you wish to appoint the proxy to exercise voting power over only some of your shares, the number of shares in respect of which this proxy is to operate is shares (Note: proxy will be over all shares if left blank).

STEP 2: VOTING DIRECTIONS

I/we direct my/our proxy to vote as indicated below:

Resolution	For	Against	Abstain
1. Re-election of Mr Bovard as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Individual or Security holder 1

Sole Director and
Sole Company Secretary
(if appointed)

Security holder 2

Director

Security holder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date