

# **MATRIX METALS LIMITED**

**(Subject to Deed of Company Arrangement)  
(In Liquidation) (Receivers and Managers  
Appointed)**

**ACN 082 593 235**

## **NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM**

**For an Annual General Meeting to be held  
On 31 March 2011 at 3 pm  
at The Celtic Club  
48 Ord Street  
West Perth  
Western Australia**

***This is an important document. Please read it carefully.  
If you are unable to attend the General Meeting, please complete the form of proxy  
enclosed and return it in accordance with the instructions set out on that form.***

	<b>PAGE</b>
<b>LETTER TO SHAREHOLDERS</b>	<b>2</b>
<b>TIME AND PLACE OF MEETING AND HOW TO VOTE</b>	<b>4</b>
<b>NOTICE OF ANNUAL GENERAL MEETING</b>	<b>5</b>
<b>EXPLANATORY MEMORANDUM</b>	<b>7</b>
<b>APPENDIX A: NOMINATION OF AUDITOR</b>	<b>11</b>
<b>PROXY FORM</b>	<b>13</b>

## LETTER TO SHAREHOLDERS

Dear Shareholder

On 11 November 2008, the Directors of Matrix Metals Limited (**Matrix Metals** or the **Company**) at that time appointed Vincent Smith and Justin Walsh of Ernst & Young as Joint and Several Administrators (**Administrator**) of the Company under Section 436A of the Corporations Act.

On 12 November 2008, the Company's securities were suspended from trading on the Australian Securities Exchange (**ASX**).

At a meeting of creditors held on 1 November 2010, creditors voted in favour of the Company entering into a deed of company arrangement with Antony Paul Sage as trustee of the EGAS Super Fund, Genmin Capital Pty Ltd (an entity controlled by Giuseppe Ariti), BR Corporation Pty Ltd (an entity controlled by Jason Bontempo), and Marcello Cardaci as trustee of the MD Cardaci Family Trust (the **Proponents**) in order for the Proponents to recapitalise the Company (**Recapitalisation Proposal**). On 9 November 2010, the deed of company arrangement was executed by the relevant parties (**Deed of Company Arrangement**) and nominees of the Proponents being Antony Sage, Giuseppe (Joe) Ariti and Jason Bontempo were appointed Directors of the Company on 22 December 2010.

The Deed of Company Arrangement, subject to conditions being met, requires that an amount of \$800,000 in cash, the issue of 20,000,000 shares at a deemed issue price of 1 cent and certain assets and rights of the Company be made available for the satisfaction of the claims of creditors and to meet the costs of the Administrator and Deed Administrator.

The conditions precedent set out in the Deed of Company Arrangement are required to be satisfied by 28 August 2011. Shareholders will be required to approve the proposal from the Proponents pursuant to the Deed of Company Arrangement. The Company will hold a meeting of Shareholders to consider the proposal from the Proponents prior to 28 August 2011.

The Proponents have provided the funding to meet the costs associated with this Notice of Annual General Meeting and will, in due course, arrange \$800,000 in loan funds, via a conditional loan agreement, to enable the Company to meet the terms of the Deed of Company Arrangement.

The purpose of the Annual General Meeting is for Shareholders to:

- consider the financial reports for the years ended 30 June 2009 and 30 June 2010, and the Directors' and Auditors' Reports thereon;
- consider and vote on the re-election of the directors that have been appointed pursuant to the Deed of Company Arrangement and since the date of the last Shareholders meeting; and
- consider and vote on the change of the Company's auditor.

The financial reports for the years ended 30 June 2009 and 30 June 2010 will be published on the Company's website and on the ASX platform (ASX code: MRX) prior to the Annual General Meeting for Shareholders to review. The financial reports will be dispatched to those Shareholders who have previously notified the Company that they require financial reports to be mailed to them.

The Deed Administrators and the partners and staff of Ernst & Young are not responsible for the contents of this Notice of Meeting or the Explanatory Memorandum. The Deed

Administrators and the partners and staff of Ernst & Young do not accept any responsibility for any disclosure in or failure to include any disclosure in these documents.

Yours faithfully

**Joe Ariti**  
**Director**

## **TIME AND PLACE OF MEETING AND HOW TO VOTE**

### **Venue**

The Annual General Meeting of the Shareholders of Matrix Metals Limited (subject to Deed of Company Arrangement) (In Liquidation) (Receivers and Managers appointed) will be held at:

**The Celtic Club, 48 Ord Street, West Perth, Western Australia commencing at 3 pm on 31 March 2011.**

### **How to Vote**

You may vote by attending the meeting in person, by proxy or authorised representative.

### **Voting in Person**

To vote in person, attend the meeting on the date and at the place set out above. The meeting will commence at 3 pm.

### **Voting by Proxy**

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- send the proxy by facsimile to the Company on facsimile number (08) 9322 2631 (International: + 61 8 9322 2631); or
- deliver to Level 1, 2 Ord Street, West Perth WA 6005 or PO Box 764, West Perth WA 6872;

so that it is received not later than 3 pm on 29 March 2011.

**Your proxy form is enclosed.**

## **MATRIX METALS LIMITED**

(Subject to Deed of Company Arrangement) (In Liquidation) (Receivers and Managers appointed)  
ACN 082 593 235

### **NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that an Annual General Meeting of Shareholders of Matrix Metals Limited (subject to Deed of Company Arrangement) (In Liquidation) (Receivers and Managers appointed) (**Matrix Metals or the Company**) will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia at 3 pm on 31 March 2011.

### **AGENDA**

The Explanatory Memorandum that accompanies and forms part of this Notice of Meeting describes the matters to be considered as special business.

### **ORDINARY BUSINESS**

#### **Financial Reports**

To receive the financial reports for the years ended 30 June 2009 and 30 June 2010, and the Directors' and Auditors' Reports thereon.

#### **Resolution 1 – Adoption of the Remuneration Report**

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

*"That the Remuneration Report as disclosed in the 2009 and 2010 financial statements be adopted."*

**Note:** The vote on this resolution is advisory only and does not bind the Directors of the Company.

#### **Resolution 2 – Re-Election of Mr Antony Sage**

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

*"That Mr Antony Sage being a Director of the Company who was appointed on 22 December 2010, retires in accordance with the Company's constitution and, being eligible and offering himself for re-election, be appointed as a Director of the Company."*

#### **Resolution 3 – Re-Election of Mr Giuseppe (Joe) Ariti**

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

*"That Mr Giuseppe (Joe) Ariti being a Director of the Company who was appointed on 22 December 2010, retires in accordance with the Company's constitution and, being eligible and offering himself for re-election, be appointed as a Director of the Company."*

## **Resolution 4 – Re-Election of Mr Jason Bontempo**

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

*"That Mr Jason Bontempo being a Director of the Company who was appointed on 22 December 2010, retires in accordance with the Company's constitution and, being eligible and offering himself for re-election, be appointed as a Director of the Company."*

## **Resolution 5 – Change of Auditor**

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 327B(1) of the Corporations Act and for all other purposes, Stantons International Audit and Consulting Pty Ltd trading as Stantons International, being qualified and having consented to act, be appointed as auditor of the Company effective immediately upon the close of this meeting and that they be paid the usual and proper professional fees as remuneration."*

**Short Explanation:** Stantons International Audit and Consulting Pty Ltd trading as Stantons International ("**Stantons International**") was appointed as auditor of the Company to fill a vacancy caused by KPMG ceasing to hold office as auditor pursuant to section 330 of the Corporations Act. The appointment of Stantons International ceases at this Annual General Meeting. The Company is required to appoint a new auditor under Section 327B(1) of the Corporations Act to fill the vacancy in the office of auditor, and may do so at this meeting.

**DATED 25 FEBRUARY 2011**

**BY ORDER OF THE BOARD**

**JOE ARITI  
DIRECTOR**

### **NOTES:**

1. A Shareholder of the Company who is entitled to attend and vote at a general meeting of Shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need 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 to vote as the proxy decides 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.
3. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a snapshot date to determine the identity of those entitled to attend and vote at the Meeting. The snapshot date is 3 pm (WST) on 29 March 2011.

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum and all attachments are important documents. They should be read carefully.

### 1. GENERAL INFORMATION

This Explanatory Memorandum has been prepared for the Shareholders of Matrix Metals Ltd (subject to Deed of Company Arrangement) (In Liquidation) (Receivers and Managers appointed) (**Matrix Metals** or **the Company**) in connection with the Annual General Meeting of the Company.

#### 1.1 Overview

Quotation of the Company's securities on ASX was suspended on 12 November 2008 at the request of the Company, following the appointment of voluntary administrators, and remain suspended.

On 11 November 2008, the Directors of Matrix Metals at that time appointed Vincent Smith and Justin Walsh of Ernst & Young as Joint and Several Administrators (**Administrator**) of the Company under Section 436A of the Corporations Act. On 14 November 2008, Gary Doran and John Greig of Deloitte Touche Tohmatsu were appointed Receivers and Managers over some of the assets held by Matrix Metals and secured by a charge held by Glencore International AG.

At a meeting of creditors held on 1 November 2010, the Administrator proposed to the creditors of the Company that it was in the best interests of creditors to enter into a Deed of Company Arrangement. At this meeting, creditors voted in favour of the Company entering into a Deed of Company Arrangement (**Deed of Company Arrangement**) with Genmin Capital Pty Ltd, BR Corporation Pty Ltd, Antony Paul Sage as trustee of the EGAS Super Fund and Marcello Cardaci as trustee of the MD Cardaci Family Trust (the **Proponents**) so that the Proponents may recapitalise the Company. On 9 November 2010, the Deed of Company Arrangement was executed by the relevant parties. Nominees of the Proponents, being Antony Sage, Giuseppe (Joe) Ariti and Jason Bontempo were appointed directors of the Company on 22 December 2010.

Details of the Directors are set out in Section 2.2.

The Deed of Company Arrangement, subject to conditions being met, requires that an amount of \$800,000 in cash, the issue of 20,000,000 shares at a deemed issue price of 1 cent and certain assets and rights of the Company be made available for the satisfaction of the claims of creditors and to meet the costs of the Administrator and Deed Administrator.

The conditions precedent set out in the Deed of Company Arrangement are required to be satisfied by 28 August 2011. Shareholders will be required to approve the proposal from the Proponents pursuant to the Deed of Company Arrangement. The Company will hold a meeting of Shareholders to consider the proposal from the Proponents prior to 28 August 2011.



## **2. THE RESOLUTIONS**

### **Annual Accounts**

Appropriate time will be devoted to the consideration of the Financial Statements and Reports of the Company for the years ended 30 June 2009 and 30 June 2010.

#### **2.1 Resolution 1 – Adoption of Remuneration Report**

Section 298 of the Corporations Act requires that the annual Directors' Report in the Company's annual financial report for the years ended 30 June 2009 and 30 June 2010 contain a Remuneration Report prepared in accordance with section 300A of the Corporations Act.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. Pursuant to section 250R(3), the vote on this resolution is advisory only and does not bind the Board or the Company.

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

#### **2.2 Resolutions 2, 3 and 3 – Re-election of Directors**

The Deed of Company Arrangement provides for the appointment of the Proponents' nominees to the Board of the Company. The Proponents have nominated Antony Sage, Giuseppe Ariti and Jason Bontempo as Directors to the Board.

Antony Sage, Giuseppe Ariti and Jason Bontempo are current Directors, as they were appointed, pursuant to the Deed of Company Arrangement, since the date of the last Shareholders meeting, and their re-election is requirement of the Recapitalisation Proposal.

A summary of the backgrounds of each of these persons is set out below.

##### **Mr Tony Sage**

Tony Sage has more than 27 years experience in the fields of corporate advisory services, funds management, capital raising and management of several mining/exploration companies.

Mr Sage is based in Western Australia and was formerly a successful funds manager with Growth Equities Mutual for a period of 13 years. During the last 14 years he has been involved in the management and financing of several listed exploration and mining companies, including, ASX listed companies Cape Lambert Resources Ltd (ASX: CFE), Cauldron Energy Ltd (ASX: CXU), Fe Ltd (formerly Buka Gold Ltd) (ASX: FEL), African Iron Limited (formerly Stirling Minerals Ltd) (ASX: AKI) and International Goldfields Ltd (formerly Corvette Resources Ltd) (ASX: IGS). Mr Sage is also a director of NSX listed oil and gas exploration companies, International Petroleum Ltd (NSX:IOP) and African Petroleum Corporation Ltd (NSX:AOQ).

### **Mr Joe Ariti**

Joe Ariti is a mining industry executive with 25 years experience in technical, management and executive roles in assessing, developing, financing and managing projects and companies in Australia and overseas. He has been involved in the development and management of both open cut and underground mining projects in Australia, Africa, Indonesia and Papua New Guinea. Since 2006, he has worked with Cape Lambert Resources Limited on the acquisition and monetisation of mineral assets.

He is also a non-executive director of Territory Resources Limited (ASX: TTY), Swick Mining Services Limited (ASX: SWK) and African Iron Limited (formerly Minerals Ltd) (ASX: AKI).

### **Mr Jason Bontempo**

Jason Bontempo has worked in investment banking and corporate advisory after qualifying as a chartered accountant with Ernst & Young in 1997. Mr Bontempo is an executive director of ASX listed International Goldfields Ltd (formerly Corvette Resources Ltd) (ASX Code: IGS) and was a director of ASX listed African Iron Ltd (formerly Stirling Minerals Ltd) (ASX: AKI).

## **2.3 Resolution 5 – Change of Auditor**

Pursuant to sections 330 and 446A(2) of the Corporations Act, KPMG, the Company's previous auditors, ceased to hold office when the Company's creditors resolved to voluntarily wind up the Company.

Stantons International Audit and Consulting Pty Ltd trading as Stantons International was appointed to fill the vacancy pursuant to section 327C of the Corporations Act, which ceases to have effect at this Annual General Meeting. The Company seeks to appoint Stantons International Audit and Consulting Pty Ltd trading as Stantons International as auditor of the Company. The nomination to the appointment of Stantons International Audit and Consulting Pty Ltd trading as Stantons International as auditor of the Company has been properly received from Territory Copper Pty Ltd in accordance with Section 328B of the Corporations Act 2001 (Cth) and a copy is attached as Annexure A to this Explanatory Statement. Stantons International Audit and Consulting Pty Ltd trading as Stantons International has consented to act as auditor of the Company.

If approval is received from Shareholders, Stantons International Audit and Consulting Pty Ltd trading as Stantons International will be re-appointed as auditor of the Company on the date and from the conclusion of this meeting.

## **3. ENQUIRIES**

Shareholders are invited to contact Joe Ariti, on (08) 9211 0600 if they have any queries in respect of the matters set out in these documents.

## GLOSSARY

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

**Administrator** means Vincent Smith and Justin Walsh of Ernst & Young.

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of ASX.

**Board** means the board of Directors of the Company.

**Company** and **Matrix Metals** means Matrix Metals Limited (subject to deed of company arrangement) (In Liquidation) (Receivers and Managers appointed) (ACN 082 593 235).

**Constitution** means the Company's constitution.

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

**Deed Administrator** means Vincent Smith and Justin Walsh of Ernst & Young.

**Deed of Company Arrangement** means the Deed of Company Arrangement entered into by the Company, the Administrator and the Proponents and executed on 9 November 2010 following the approval of creditors of the Recapitalisation Proposal on 1 November 2010.

**Directors** means the Directors of the Company.

**Explanatory Memorandum** means the explanatory memorandum to the Notice.

**Meeting** means the meeting of Shareholders convened by this Notice.

**Notice** means this notice of meeting accompanying this Explanatory Memorandum.

**Proponents** means Genmin Capital Pty Ltd ACN 145 474 111 (an entity controlled by Giuseppe Ariti), BR Corporation Pty Ltd ACN 100 133 533 (an entity controlled by Jason Bontempo), Antony Paul Sage as trustee of the EGAS Super Fund and Marcello Cardaci as trustee of the MD Cardaci Family Trust).

**Recapitalisation Proposal** means the Recapitalisation Proposal, proposed by The Proponents and approved by creditors on 1 November 2010.

**Shares** means fully paid ordinary Shares in the capital of the Company.

**Shareholder(s)** means a holder of Shares.

**Trustee for Creditors** means Vincent Smith and Justin Walsh of Ernst & Young.

**Annexure A**  
**Nomination of Auditor**



# Territory Resources Limited

23 Ventnor Avenue,  
West Perth WA 6005  
Telephone: +61 8 9483 5100  
Facsimile : +61 8 9483 5111

25 February 2011

Matrix Metals Limited  
c/- Ernst & Young  
The Ernst & Young Building  
11 Mounts Bay Road  
Perth WA 6000

Dear Sir,

## **Nomination of Auditor**

In accordance with the provisions of section 328B of the Corporations Act, Territory Copper Pty Ltd, being a shareholder of Matrix Metals Limited, hereby nominate Stantons International Audit and Consulting Pty Ltd trading as Stantons International for appointment as auditor of Matrix Metals Limited.

Yours sincerely

**Patrick McCole**  
Company Secretary  
Territory Copper Pty Ltd



**An Australian Resources Group**

Post Office Box 158, West Perth, Western Australia 6872  
admin@territoryresources.com.au www.territoryresources.com.au  
A.B.N. 53 100 552 118

**PROXY FORM  
 APPOINTMENT OF PROXY  
 MATRIX METALS LIMITED (SUBJECT TO DEED OF COMPANY ARRANGEMENT) (IN LIQUIDATION)  
 (RECEIVERS AND MANAGERS APPOINTED)  
 ACN 082 593 235**

**ANNUAL GENERAL MEETING**

I/We

of

being a member of Matrix Metals Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR  the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at 3pm (WST), on 31 March 2011 at the Celtic Club, 48 Ord Street, West Perth, WA 6005, and at any adjournment thereof.

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

**OR**

**Voting on Business of the Annual General Meeting**

	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
Resolution 1 – Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Antony Sage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Director – Giuseppe (Joe) Ariti	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Re-election of Director – Jason Bontempo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Change of Auditor	<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 to be counted in computing the required majority on a poll.

**Signature of Member(s):** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Individual or Member 1**

**Sole Director/Company Secretary**

**Member 2**

**Director**

**Member 3**

**Director/Company Secretary**

**Contact Name:** \_\_\_\_\_

**Contact Ph (daytime):** \_\_\_\_\_

**MATRIX METALS LIMITED (SUBJECT TO DEED OF COMPANY ARRANGEMENT) (IN LIQUIDATION)**  
**(RECEIVERS AND MANAGERS APPOINTED)**  
**ACN 082 593 235**

**Instructions for Completing 'Appointment of Proxy' Form**

1. **(Appointing a Proxy):** A member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
  - **(Individual):** Where the holding is in one name, the member must sign.
  - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
  - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, 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, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - a) in person to Level 1, 2 Ord Street, West Perth, Western Australia 6005; or
  - b) by post to PO Box 764, West Perth Western Australia 6872; or
  - c) by facsimile to the Company on facsimile number on 08 9322 2631 (inside Australia) or +61 8 9322 2631 (outside Australia),

so that it is received not later than 3pm (WST) on 29 March 2011.

**Proxy forms received later than this time will be invalid.**