

MATRIX METALS LTD

ACN 082 593 235

(TO BE RENAMED CAENEUS MINERALS LTD)

NOTICE OF GENERAL MEETING

TIME: 9am (WST)
DATE: 25 February 2014
PLACE: 32 Harrogate Street
West Leederville WA 6007

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) 9380 9555.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General meeting of the Shareholders to which this Notice of Meeting relates will be held at 9am(WST) on Tuesday, 25 February 2014 at:

32 Harrogate Street
West Leederville WA 6007

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

CORPORATE REPRESENTATIVE

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the General Meeting. The appointment of the representative 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 as the body corporate's representative, including any authority under which the appointment is signed. Unless the appointment states otherwise, the representative may exercise on the body corporate's behalf all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return to Advanced Share Registry Services by:

- (a) mail to PO Box 1156, Nedlands WA 6909; or
- (b) facsimile on facsimile number +61 8 9389 7871,

so that it is received not later than 9am (WST) on 23 February 2014.

Proxy Forms received later than this time will be invalid.

Proxy Voting - Sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these provisions in the Corporations Act, as they will apply to this General Meeting. Broadly, the provisions mean that:

- (a) if a proxy votes, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details of these changes are set out below.

Proxy vote if appointment specifies way to vote

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**:

- (a) 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
- (b) 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
- (c) 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
- (d) 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).

Transfer of non chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting; or
 - (ii) 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 at the meeting.

NOTICE OF GENERAL MEETING

Notice is given that the General meeting of Shareholders will be held at 9am (WST) on Tuesday, 25 February 2014 at 32 Harrogate Street, West Leederville, Western Australia.

The Explanatory Statement provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders at close of business on 24 February 2014.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

AGENDA

ORDINARY BUSINESS

RESOLUTION 1 – APPROVAL FOR ISSUE OF CONSIDERATION SHARES AND CONSIDERATION OPTIONS TO CAENEUS SHAREHOLDERS

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

“That, subject to the passing of Resolutions 2 to 5, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to allot and issue 306,150,001 Shares and 306,150,001 Options to the Caeneus Shareholders (or their nominees) for the acquisition of 100% of the issued capital of Caeneus Minerals Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by the Caeneus Shareholders and any other 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 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 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 2 – APPROVAL FOR CHANGE IN SCALE OF ACTIVITIES

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

“That, subject to the passing of Resolutions 1 and 3 to 5, for the purpose of Listing Rule 11.1.2 of the Listing Rules of ASX Limited, and for all other purposes, approval is given for the Company to make a significant change in the scale of its activities as described in the Explanatory Statement accompanying this Notice.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any 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 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 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 3 – CHANGE OF COMPANY NAME

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

“That, subject to passing of Resolutions 1, 2, 4 and 5, for the purpose of Section 157(1) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed from Matrix Metals Ltd to “Caeneus Minerals Ltd”.”

RESOLUTION 4 – APPOINTMENT OF DIRECTOR – MR MARTIN DORMER

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

“That, subject to the passing of Resolutions 1 to 3 and 5, for the purpose of clause 13.3 of the Constitution and for all other purposes, Mr Martin Dormer be appointed a Director on completion of the Transaction.”

RESOLUTION 5 – APPOINTMENT OF DIRECTOR – MR THOMAS ALABAKIS

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

“That, subject to the passing of Resolutions 1 to 4, for the purpose of clause 13.3 of the Constitution and for all other purposes, Mr Thomas Alabakis be appointed a Director on completion of the Transaction.”

**DATED: 21 JANUARY 2014
BY ORDER OF THE BOARD**



**CLAIRE TOLCON
COMPANY SECRETARY**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 9am (WST) on Tuesday, 25 February 2014 at 32 Harrogate Street, West Leederville, Western Australia.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. BACKGROUND

1.1 Terms of Transaction

As announced on 24 December 2013, the Company entered into a binding conditional Terms Sheet (**Terms Sheet**) with all of the Caeneus Shareholders pursuant to which the parties agreed that the Company would acquire 100% of the issued share capital of Caeneus Minerals Pty Ltd (**Caeneus**) (**Sale Shares**) (**Transaction**). Further details of Caeneus and the option it holds to acquire the Super Nova Project is set out in Section 1.2.

The material terms of the Terms Sheet are as follows:

- (a) (**Conditions Precedent**): settlement of the Transaction is subject to and conditional upon (*inter alia*):
 - (i) the parties entering into a formal share sale agreement in relation to the Transaction (**Formal Agreement**);
 - (ii) Matrix being satisfied (in its sole and absolute discretion) with the results of its legal, financial and technical review on the assets, liabilities and business of the Caeneus;
 - (iii) Caeneus being satisfied (in its sole and absolute discretion) with the results of its legal, financial and technical review on the assets, liabilities and business of Matrix;
 - (iv) Matrix obtaining all necessary Shareholder approvals for the Transaction;
 - (v) each of the Caeneus Shareholders waiving all pre-emptive or other rights over any of the Sale Shares conferred by the constitution of Caeneus, any shareholders agreement relating to the Sale Shares (or other securities in the Caeneus) or in any other way; and
 - (vi) Matrix and the Caeneus Shareholders obtaining all statutory and regulatory approvals and any other third party consents or waivers which are necessary or desirable to complete the Transaction,

(together, the **Conditions**).

If the Conditions are not satisfied (or waived, to the extent that any Condition is capable of waiver) by 7 February 2014 (or such other date as may be agreed by the parties in writing), the Terms Sheet will be at an end and the parties will be released from their

obligations. The parties will use their commercially best efforts to ensure that the Conditions are met as soon as possible.

- (b) **(Transaction Consideration)**: in consideration of the acquisition of 100% of the issued share capital of Caeneus, subject to Shareholder approval, the Company will issue a total of:
 - (i) 306,150,001 Shares to the Caeneus Shareholders (**Consideration Shares**); and
 - (ii) 306,150,001 Options to the Caeneus Shareholders (**Consideration Options**),(together, the **Consideration Securities**).
- (c) **(Completion)**: completion of the Transaction is to occur two Business Days after satisfaction (or waiver) of the last of the Conditions (**Completion**).
- (d) **(Change to Board)**: with effect from Completion, current Director Jason Bontempo will resign and Martin Dormer and Thomas Alabakis (together, the **Proposed Directors**) (refer to Resolutions 4 and 5) will be appointed to the Board. Tony Sage and Jefferey Hamilton will remain on the Board following Completion. Refer to Section 1.3 for further details of the Proposed Directors.

The Caeneus Shareholders have provided standard warranties and representations in favour of the Company in relation to Caeneus, their shareholding in Caeneus and the Super Nova Project. The Terms Sheet otherwise contains standard clauses typical for an agreement of this nature.

The Formal Agreement will contain additional standard representations and warranties to be given by Matrix and the Caeneus Shareholders typical for a transaction of this nature and the Caeneus Shareholders will be required to give representations and warranties in respect to their shareholding in Caeneus.

1.2 Overview of Caeneus

Caeneus was incorporated in March 2013 and, via an option agreement, has the right to acquire a 100% interest in the Super Nova Project (**Super Nova Option**).

Pursuant to the terms of the Super Nova Option, Caeneus has the right to acquire 100% of the Super Nova Project on final payment of \$65,000 (which shall be paid on Completion of the Transaction) (**Option Fee**).

The Option Fee must be made on or before 14 April 2014. Upon payment of the Option Fee, Caeneus will own 100% of the Super Nova Project.

In addition, Caeneus holds a 100% interest in The Mt Davis tenements near Leonora in Western Australia, which comprises eight contiguous prospecting licences totalling 1,287ha.

Supernova Project

The Supernova Project is located 125km east of the gold mining centre of Norseman in Western Australia. The project is situated within the Proterozoic Albany-Fraser Mobile Belt (**Belt**) on the

south-east margin of the Yilgarn Craton. The Belt hosts the Fraser Complex which are a series of layered mafic intrusions where recently a new nickel province has emerged following the discovery of the Nova-Bollinger deposits by Sirius Resources Ltd, just 23km NNE of Supernova.

The discovery by Sirius Resources Ltd is a magmatic nickel sulphide deposit. This deposit is unusual for Australia and holds stronger resemblance to larger Canadian deposits such as Thompson (owned by Vale), Raglan (owned by Xstrata), and Voisey's Bay (Vale). In October 2013, Sirius declared resource figures at Nova-Bollinger of 14.6mt at 2.2%Ni, 0.9% Cu, 0.08% Co, and containing 325,000t Ni, 134,000t Cu, 11,000t Co, with an expected 10 year mine life and an initial life of mine net cash flow of \$2.8bn forecast (refer Sirius ASX announcement dated 23 October 2013).

This discovery, which followed several years after Independence/Anglogold's Tropicana Gold Deposit to the north resulted in a strong focus by exploration companies to target similar styles of deposits and several companies in the district are seeking nickel/copper anomalies, magnetic signatures of mafic intrusions and electromagnetic conductors in the district.

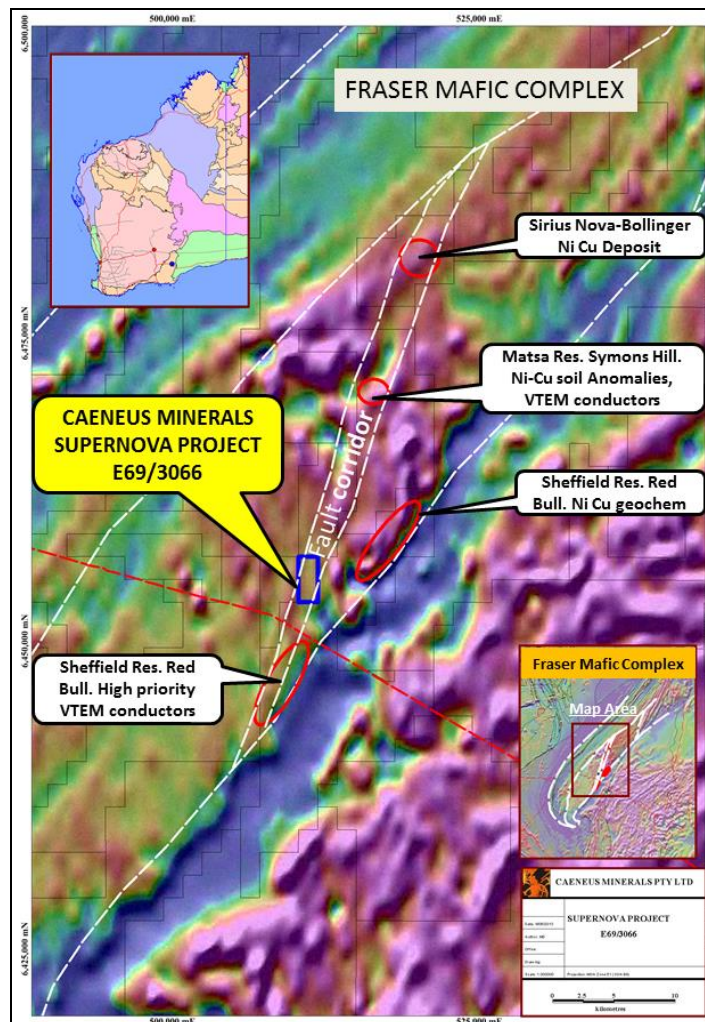


Figure 1: Caeneus Supernova Location Map.

The Supernova Project is surrounded by explorers with ground within the layered gabbro units of the Fraser Complex, with local Prospects showing elevated copper, nickel, cobalt, and PGE's

from soil sampling and drilling. Nearby companies with notable results include Enterprise Metals Ltd, Sheffield Resources Ltd (**Sheffield**), Matsa Resources Ltd (**Matsa Resources**), and Sirius Resources Limited.

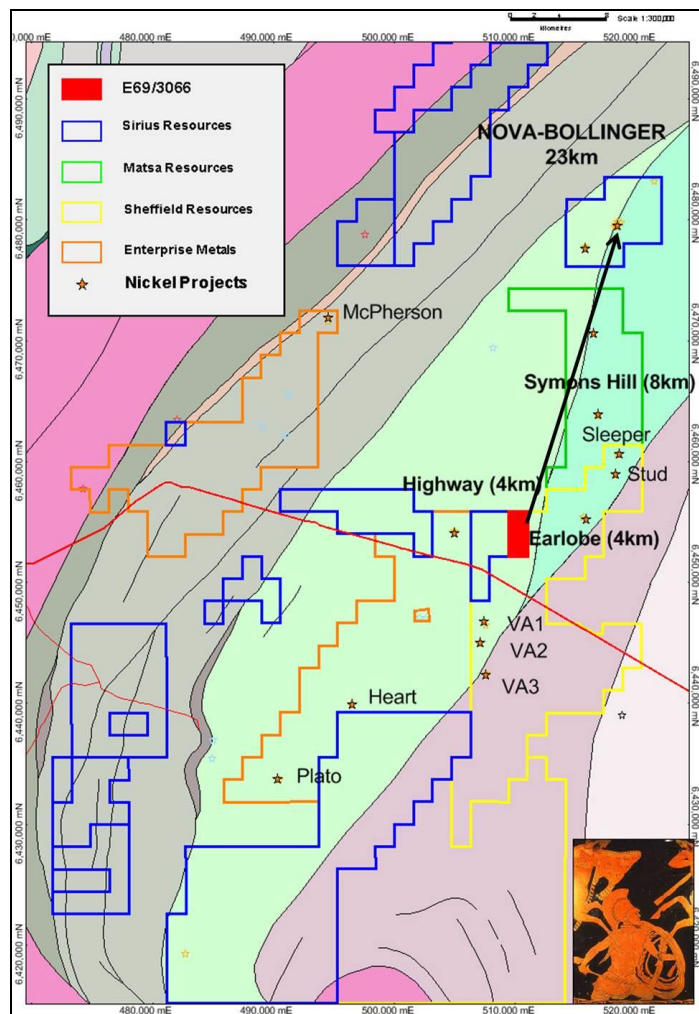


Figure 2: Caeneus neighbours with notable results.

Sheffield's Red Bull Project is the nearest Prospect to Supernova with the tenement being adjacent to the east of E69/3066. At this project three prospects, Earlobe, Stud, and Sleeper, are situated over an ultramafic unit of low magnetic intensity with anomalous Ni, Cu, and Co, which were outlined from initial aircore drilling. Nickel intersections up to 5m at 0.73% from 33m have been recorded with visual disseminated nickel sulphides evident in drill cuttings (refer Sheffield ASX announcement dated 27 November 2013).

Matsa Resources' Symons Hill Project is situated just 4km NE of E69/3066. Matsa have conducted geochemical soil sampling resulting in 6 priority targets with elevated coincident nickel, copper, chromium, and cobalt. A VTEM survey identified local conductive units tested by follow-up ground moving loop and fixed loop EM surveys (MLEM, FLEM). Three of the targets are now considered high priority as they are coincident with elevated soil anomalies that are roughly coincident with the Symons Hill Fault, which is believed to be an important control on mineralisation 6km NW of Matsa's lease at Nova-Bollinger. Recent aircore drilling has confirmed nickel at surface extends into the saprolite with grades up to 1.1% Ni encountered with trace amounts of pentlandite and chalcopyrite with similar tenor to the weathered surficial component of the Nova-Bollinger deposit. A recently completed 148 hole phase 2 aircore program reported by

Matsa Resources had XRF analysis of bottom of hole samples up to 1.09% Ni with strongly elevated copper. Matsa Resources are carrying out RC drilling and gravity surveying to further delineate the extent of the host rock beneath surficial Tertiary sediments (refer Matsa Resources ASX announcement dated 21 November 2013).

The Enterprise Metal's Highway Prospect at its Fraser Range Project is located 3.5km due east of E69/3066, and is based on elevated and coincident nickel and copper anomalies from soil sampling. Enterprise have carried out extensive soil sampling of their tenure resulting in 5 high priority targets at Highway, Plato, McPherson, Heart, and EH3. Plato has been subject to IP surveying of gabbroic host rocks, while Highway, McPherson and Heart have been selected as high priority targets to follow with more detailed programs in 2014 (refer corporate presentation dated 31 October 2013).

Geochemical Soil Sampling

Caeneus recently commenced field work with a geochemical soils program targeting anomalies associated with magmatic nickel sulphide mineralisation. Very little exploration has previously been carried out at the tenement with only a small dimension stone quarry present in the middle of the lease. This quarry was mining "black granite" from a gabbroic intrusive mafic reminiscent of nickeliferous host rocks occurring at nearby local prospects.

The program included samples removed from a 400m by 100m exploration grid. Samples were submitted to Quantum Analytical Laboratories in Welshpool for multi element analysis. Results were encouraging and revealed anomalous values centred over the area of the quarry where intrusive mafic rocks outcrop. The plan below indicates a positive area some 2km long and 300m wide with coincident Ni, Cu, Cr and Co warranting further investigation.

Future work programs will include more detailed infill soil sampling and rock-chip sampling in the short term, to be followed with a combination of detailed magnetic, gravity and electromagnetic surveying to delineate subsurface primary sulphide mineralisation and provide more discrete targets for drilling.

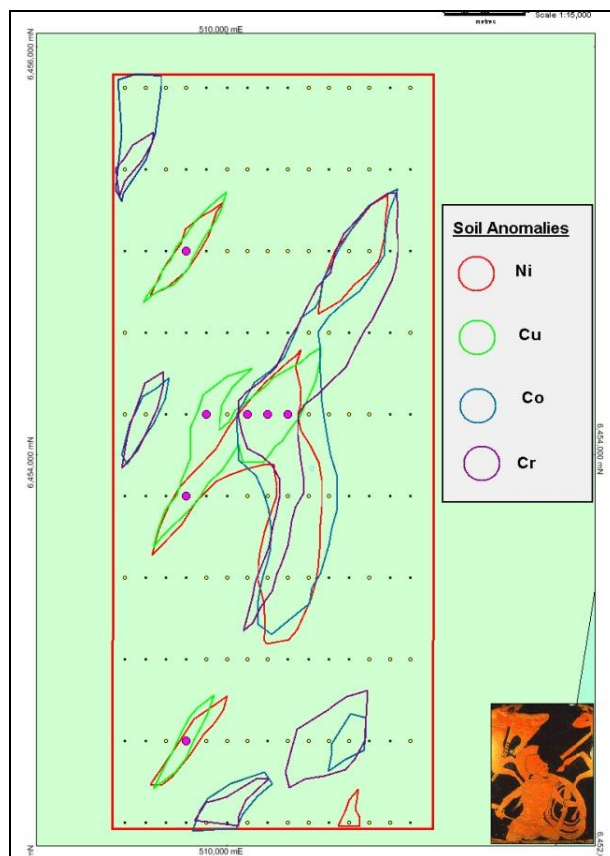


Figure 3: Coincident Ni, Cu, Cr and Co soil Anomaly at Supanova.

Mt Davis Tenements

The Mt Davis Tenements near Leonora comprises 8 contiguous prospecting licences covering an area of 1,287ha, formerly held by Jupiter Mines Ltd (**Jupiter**) and then Bligh Resources Ltd (**Bligh**). The southern leases surround the historic Gratten Well mining centre, and are also approximately 3.5km south east of the 3Moz Tarmoola Gold Mine, some 20km north of Leonora.

The Leonora area has a long and rich gold mining history and the geology for the Mt Davis tenements has gold mineralisation associated with pyritic quartz veins in sheared mafic volcanics. Historic exploration has revealed several intersections of gold mineralisation, however at the project a number of major structural targets remain untested.

Geology

The Mt Davis Prospects lie astride the junction between the Mount Clifford Greenstone Belt and the Malcolm Greenstones which, in this area are separated by a major shear zone known as the Mount George Shear Zone (Fig 4). The Mount Clifford Greenstone Belt consists almost entirely of mafic sequences including both tholeiitic and high-Mg basalts and ultramafic volcanic rocks with several nickel prospects, along the Mount George Shear Zone. The Malcolm Greenstone Belt occupies the area between the Yilgangi Fault and Mount George Shear Zone and comprises predominantly felsic volcanic rocks, basalt, and shales.

The regionally significant Mt George fault structure is interpreted to run through the property in a north-northwest direction and to mark the contact zone between mafic and ultramafic volcanic and intrusive rocks to the west and metasediments, banded chert horizons and felsic volcanic sequences to the east. This major shear zone manifests itself as a series of parallel shears; the

southwest shear running through the small Grattan Well open-cut is called the Grattan Well shear, the central is referred to as the Clifford shear, while the easterly is known as the Mt George fault structure and is associated with gold mineralisation at Mt Davis.

Gold Mineralisation

Gold mineralisation at the nearby Tarmoola Gold Mine is associated with a quartz stockwork in ultramafic schist overlying a granitoid intrusion in the core zone of a fold closure. This association offers a model relevant to the future exploration of the Mt Davis area. Other gold workings in the project area occur along quartz veined contact zones between amphibolite and mafic schist units.

The gold mineralisation is associated with disseminated pyrite and accessory arsenopyrite in quartz veined shears within a sequence of mylonitic chert and felsic intermediate volcanics. At the historic Grattan Well prospect gold mineralisation is associated with quartz veining in shears hosted by chloritic schist. A third association occurs at the Grattan Well open-cut locality where quartz veining occurs in association with highly sheared mafic volcanics and felsic porphyry dykes. In all cases late stage shearing is an important factor in providing favourable structural sites for mineralisation.

Gold mines in the vicinity of the Mount Davis tenements include Grattan Well to the south, Jasper Flat and Jasper Hills to the southwest, Moynalty Well immediately to the west, and Leighters to the north.

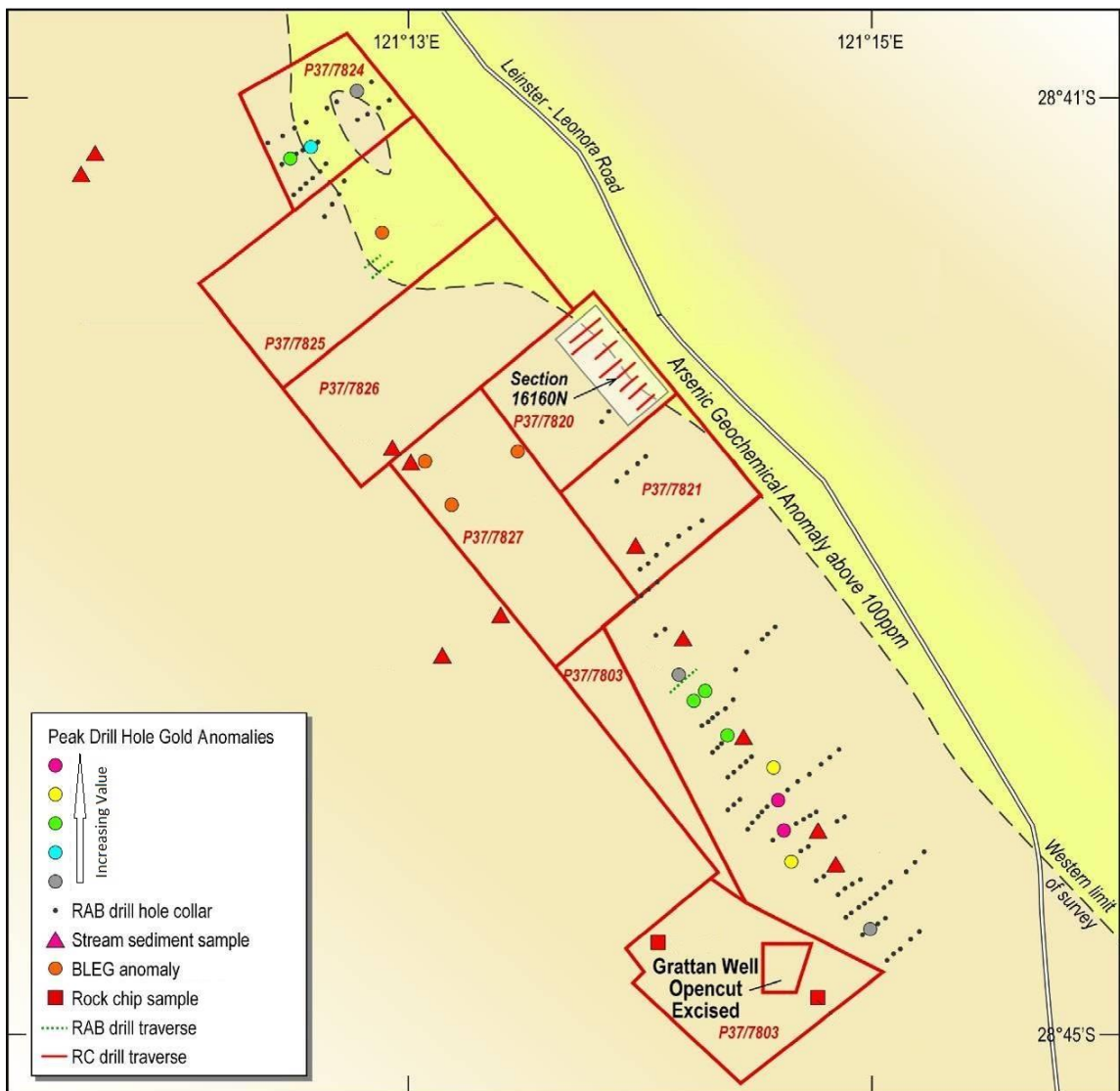


Figure 4: Mt. Davis Tenements (P37/7803, P37/7804, P37/7820, P37/7821, P37/7824, P37/7825, P37/7826 and P37/7827).

Previous Exploration

Modern exploration in the Mt Davis area has focussed on gold and began during the mid-1980s, when a sparsely documented reconnaissance gold survey was carried out over an area now covered by small excised Mining Lease 37/49, for an area of 11.75ha that covers the Grattan Well open-cut and the surrounding area. RAB and follow-up RC drilling intersected gold mineralisation within a shear zone associated with talcose ultramafic units and high magnesium basalts. Anomalous gold values were found in rock chip samples and drill hole intersections from exploration conducted along this sheared contact zone containing gold workings.

In 1987, Afmeco carried out magnetic and electromagnetic surveying, which was followed by a short RC drilling program returning a single significant intersection of anomalous gold adjacent to the abandoned Gratten Well workings.

In 1992, Sons of Gwalia Ltd commenced a major geochemical soils program which outlined anomalous gold mineralisation at their Trig Prospect (Mt Davis project area). This program was included RC drilling of targets with 18 of the 23 drilled RC holes achieving significant intersections of greater than 1g/t Au within a mineralised shear. Within the shear, three auriferous quartz

veined lenses ranging in strike length from 20-50m over true thicknesses of 3-6m were found to pitch at 50° in a south-easterly direction.

Several subsequent explorers including Mt Edon Gold Mines Ltd, Jupiter Mines Ltd, and Bligh Resources Ltd have completed further geological mapping, research and interpretation with Earthscan Pty Ltd consulting group had previously been commissioned in 2007 to analyse all extra-terrestrial data images available using combined LANDSAT 7 ETM+ satellite band data set over the project area and produce a new prioritised prospect target list. The majority of targets fall within the project area.

Competent Person:

The contents of this Explanatory Statement relating to Exploration Results are based on information compiled by Olaf Frederickson, a Member of the Australasian Institute of Mining and Metallurgy. Mr Frederickson is a consultant to Matrix Metals Limited and has sufficient experience relevant to the style of mineralisation and the deposit under consideration and to the activity he is undertaking to qualify as a Competent Person, as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Frederickson consents to the inclusion in this Explanatory Statement of the matters compiled by him in the form and context in which they appear.

1.3 Board and Management Post-Transaction

Upon completion of the Transaction, Jason Bontempo will resign as a Director and the Board will change to introduce an experienced executive team familiar with the assets of Caeneus to join current Directors Tony Sage and Jefferey Hamilton to oversee the exploration and development activities of the Company.

Details of the Proposed Directors are set out below.

Mr Martin Dormer - Proposed Non-Executive Director

Martin Dormer is a geologist with over 17 years' experience in nickel, gold, and base metal exploration, resource development, and mining. He holds a BSc from the West Australian School of Mines in Mineral Exploration and Mining Geology and is a member of the Australian Institute of Mining and Metallurgy.

Mr Dormer has extensive experience in Australia and West Africa in exploration management positions with Naracoota Resources Ltd, Ishine International Resources Limited and Athena Resources Ltd. Mr Dormer held the position of Senior Exploration Geologist with Mincor Resources NL working on both the Kambalda Dome and Widgiemooltha Dome targeting exploration programs in and around Miitel, Mariners, Redross, Wannaway, Otter-Juan, McMahons, Durkin, and Coronet Nickel Mines. He has also worked as a Senior Geologist with BHP Biliton's Nickel West Pty Ltd in the well-endowed Agnew-Wiluna Belt at Perseverance and Mt Keith Nickel Mines.

The above roles have provided a wide range of experience in the targeting and development of predominantly for nickel sulphides, Archaean and Proterozoic gold, sedimentary exhalative and porphyry intrusive copper, and BIF hosted iron deposits.

Mr Thomas Alabakis - Proposed Non-Executive Chairman

Mr Alabakis is an executive with extensive experience gained over the last thirty years in the International Corporate arena. He qualified as an Australian Chartered Accountant and has held positions in international conglomerates, such as Western Mining Corporation, Shell Group and RJR Nabisco.

Mr Alabakis has served on a number of Boards in executive positions in listed entities on the Singapore, Malaysian and Australian Stock Exchanges and is experienced in substantial capital raising activities in Malaysia, Singapore and the Middle East.

Mr Alabakis was involved in the start-up and launch of Iridium, the world's first and only fully global satellite telephony and constellation system. He was subsequently instrumental in the restructuring of Iridium out of Chapter 11 in the USA into a privately owned company. Iridium is now listed on the NYSE.

Currently Mr Alabakis serves as a non-executive Director of a private investment vehicle owned by a member of the Saudi Royal Family.

Mr Alabakis will contribute significant experience and working knowledge of USA, African, Middle East and Asian business environments.

1.4 Proposed Capital Structure Post- Transaction

The effect of the Transaction on the capital structure of the Company is set out below:

Shares	Number
Shares on issue as at the date of the Notice	306,151,329
Consideration Shares to be issued to Caeneus Shareholders (Resolution 1)	306,150,001
Total Shares	612,301,330

Options	Exercise Price	Expiry Date	Number
Options on issue as at the date of the Notice	\$0.005	31 December 2016	40,000,000
Consideration Options to be issued to Caeneus Shareholders (Resolution 1)	\$0.03	3 years after the date of issue	306,150,001
TOTAL OPTIONS			346,150,001

1.5 Resolutions

The Company is seeking approval of the following Resolutions by Shareholders to seek approval for:

- (a) Resolution 1 – Approval for issue of Consideration Shares and Consideration Options to Caeneus Shareholders;
- (b) Resolution 2 – Approval for change of scale of activities;
- (c) Resolution 3 – Approval for change of Company Name;
- (d) Resolution 4 – Appointment of Director – Mr Martin Dormer; and
- (e) Resolution 5 – Appointment of Director – Mr Thomas Alabakis.

Resolutions 1 to 5 are conditional on each other and cannot proceed without each of those Resolutions being passed. The Board recommends Shareholders approval all of the Resolutions set out in this Notice of Meeting.

2. RESOLUTION 1 – APPROVAL FOR ISSUE OF CONSIDERATION SHARES AND CONSIDERATION OPTIONS TO CAENEUS SHAREHOLDERS

2.1 General

As detailed in Section 1.1, the Company has entered the Terms Sheet with the Caeneus Shareholders pursuant to which the Company has agreed to acquire 100% of the Caeneus Shares.

Resolution 1 seeks Shareholder approval for the purpose of ASX Listing Rule 7.1 for the issue of the Consideration Shares and Consideration Options to the Caeneus Shareholders.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Directors to issue the Consideration Securities to the Caeneus Shareholders during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

2.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Consideration Securities pursuant to the Transaction:

- (a) the maximum number of Shares to be issued to the Caeneus Shareholders is 306,150,001;
- (b) the maximum number of Options to be issued to the Caeneus Shareholders is 306,150,001;
- (c) the Shares and Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules). It is intended that the Shares and Options will be issued on the date of completion of the Transaction;
- (d) the Shares and Options will be issued for nil cash consideration as they would be issued in consideration for the acquisition of 100% of the Caeneus Shares in accordance with the terms of the Terms Sheet;
- (e) the Shares and Options will be issued to the Caeneus Shareholders (or nominees) none of whom are related parties of the Company;
- (f) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (g) the Options will be issued on the terms set out in Schedule 1; and
- (h) no funds will be raised from the issue of the Shares and Options as the Shares and Options are being issued in consideration for the acquisition of 100% of the Caeneus Shares.

3. RESOLUTION 2 – APPROVAL FOR CHANGE IN SCALE OF ACTIVITIES

3.1 General

Resolution 2 seeks approval from Shareholders for a change in the scale of the activities of the Company. As detailed in Section 1.1, the Company has entered the Terms Sheet with the Caeneus Shareholders pursuant to which the Company has agreed to acquire 100% of the Caeneus Shares. As set out in Section 2.1, the Company is seeking Shareholder approval to issue the Consideration Securities pursuant to Resolution 1 on completion of the Transaction.

The acquisition by the Company of Caeneus constitutes a significant change in the scale of the Company's activities, and consequently requires approval pursuant to ASX Listing Rule 11.1.

3.2 ASX Listing Rule 11.1

ASX Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the scale of its activities, it must provide full details to ASX as soon as practicable. ASX Listing Rule 11.1.2 provides that, if ASX requires, the entity must get the approval of Shareholders and must comply with any requirements of ASX in relation to the Notice of Meeting.

ASX has indicated to the Company that given the significant change in the scale of the activities of the Company upon completion of the Transaction, it requires the Company to obtain the approval of its Shareholders.

For this reason, the Company is seeking Shareholder approval for the Company to change the scale of its activities under ASX Listing Rule 11.1.

Resolution 2 is conditional upon Shareholders approving Resolutions 1 and 3 to 5 and completion of the Transaction occurring.

4. RESOLUTION 3 – CHANGE OF COMPANY NAME

Resolution 3 seeks Shareholder approval for the Company to change its name. Section 157 of the Corporations Act provides that a company may apply to change its name by the members of the company passing a special resolution to that effect.

Subject to Shareholder approval being obtained in relation to Resolutions 1, 2, 4 and 5, it is proposed that the Company name be changed from Matrix Metals Ltd to "Caeneus Minerals Ltd".

The Board considers the new name will more accurately reflect the Company's interest going forward (following completion of the Transaction).

Resolution 3 is conditional upon Shareholders approving Resolutions 1, 2, 4 and 5 and completion of the Transaction occurring.

The Board recommends Shareholders approve this Resolution.

5. RESOLUTIONS 4 AND 5 – APPOINTMENT OF DIRECTORS

Clause 13.3 of the Constitution allows the Company in general meeting to elect a Director, who shall be taken to have been elected with effect immediately after the end of that general meeting.

As detailed in Section 1.3, subject to completion of the Transaction it is proposed that two nominees of Caeneus will be appointed to the Board with current Director Jason Bontempo resigning.

Resolutions 4 and 5 seek the respective appointment of Martin Dormer and Thomas Alabakis as Directors subject to completion of the Transaction.

Details of Martin Dormer and Thomas Alabakis are set out in Section 1.3.

6. ENQUIRIES

Shareholders are requested to contact the Company Secretary on (+ 61 8) 9380 9555 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Caeneus means Caeneus Minerals Pty Ltd (ABN 70 163 030 751).

Caeneus Share means a fully paid ordinary share in the capital of Caeneus.

Caeneus Shareholder means the holder of shares in Caeneus.

Company or **Matrix** means Matrix Metals Limited (to be renamed Caeneus Minerals Ltd) (ACN 082 593 235).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** or **Notice of General Meeting** means this notice of General meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder or **MRX Shareholder** means a holder of a Share.

Super Nova Project means the project comprised of exploration license E69/3066 as summarised in section 1.2.

Super Nova Option means the option held by Caeneus to acquire 100% of the Super Nova Project as summarised in section 1.2.

Terms Sheet means the conditional terms sheet between the Company and the Caeneus Shareholders pursuant to which the Company has agreed to acquire 100% of the issued capital of Caeneus as summarised in section 1.1.

Transaction means the acquisition of 100% of the issued capital of Caeneus by the Company in accordance with the terms and conditions of the Terms Sheet.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
 - (b) The Options will expire at 5.00pm (WST) on that date which is three (3) years after the date of issue (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
 - (c) The amount payable upon exercise of each Option will be \$0.03 (**Exercise Price**).
 - (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
 - (e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;
- (Exercise Notice).**
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
 - (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
 - (h) The Options are not transferable.
 - (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
 - (j) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
 - (k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
 - (l) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
 - (m) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Soil samples were taken on a 400m x 100m grid. No data available in reference to sample quality, tools used, representiveness etc.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Drilling technique unknown
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Sample recovery and methods of measurement unknown.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. 	<ul style="list-style-type: none"> No information available.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> No information available.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Samples assayed by Quantum Analytical Laboratories for multi element analysis. QA/QC information unavailable.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> No information available.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> No information available.
Data spacing	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 	<ul style="list-style-type: none"> 400m x 100m exploration grid

Criteria	JORC Code explanation	Commentary
<i>and distribution</i>	<ul style="list-style-type: none"> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • No other information known
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • No data available
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Information unknown
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • Information unknown

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> • Caeneus has the right to acquire 100% of the Super Nova Project pursuant to terms documented in the attached NOM. • No other information available.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Little previous exploration conducted at the Super Nova Project. No data available. • Mt Davis tenements formerly held by Jupiter Mines and Bligh Resources
<i>Geology</i>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Super Nova Project is situated within the Albany-Fraser belt comprised of layered mafic intrusions. Targeted mineralisation is in the form of magmatic nickel sulfides. • Mt Davis tenements contain gold bearing pyritic quartz veins hosted

Criteria	JORC Code explanation	Commentary
		within sheared mafic volcanics.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> • No data available other than what is shown in Figure 4.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • No values reported as data is unavailable or incomplete.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • No data available
<i>Diagrams</i>	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> • See figures 3 and 4
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> • Data unavailable hence no values have been reported.

Criteria	JORC Code explanation	Commentary
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> No data available
<i>Further work</i>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Future work programs for Super Nova will include more detailed infill soil sampling and rock-chip sampling in the short term, to be followed with a combination of detailed magnetic, gravity and electromagnetic surveying to delineate subsurface primary sulphide mineralisation and provide more discrete targets for drilling. No information available for the Mt Davis tenements.