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**LUMACOM LIMITED**  
**(to be renamed US Nickel Limited)**  
**ACN 091 009 559**

**NOTICE OF GENERAL MEETING**

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**TIME:** 9.30 am (WST)

**DATE:** Wednesday 24 February 2010

**PLACE:** Subiaco Hotel,  
Hay Street, Subiaco  
Perth, Western Australia

***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) 6382 7200.***

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**CONTENTS PAGE**

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Notice of General Meeting (setting out the proposed resolutions)	3
Explanatory Statement (explaining the proposed resolutions)	6
Glossary	21
Schedule 1 – Terms and Conditions of Options	22
Proxy Form	24

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

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**VENUE**

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The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 9.30 am (WST) on 24 February 2010 at:

Subiaco Hotel, Hay Street, Subiaco, Perth Western Australia

**YOUR VOTE IS IMPORTANT**

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

**VOTING IN PERSON**

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

**VOTING BY PROXY**

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Lumacom Limited, Suite 1, 346 Barker Road, Subiaco WA 6008; or
- (b) facsimile to the Company on facsimile number (+61 8) 6382 3777,

so that it is received not later than 9.30 am (WST) on 22 February 2010.

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

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## NOTICE OF GENERAL MEETING

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Notice is given that the General Meeting of Shareholders will be held at 9.30 am (WST) on 24 February 2010 at Subiaco Hotel, Hay Street, Subiaco, Perth Western Australia.

The Explanatory Statement to this Notice of Meeting 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 of the Company at 9.30 am (WST) on 24 February 2010.

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

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## AGENDA

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### 1. RESOLUTION 1 – APPROVAL FOR ISSUE OF OPTIONS

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

*“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 10,000,000 Options (on a pre-Consolidation basis) in part consideration for the acquisition of Western Metals (MN) LLC and WML Exploration BC 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 any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, 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.

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### 2. RESOLUTION 2 – CONSOLIDATION OF CAPITAL

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 3 and 4, for the purposes of Section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that:*

*(a) every ten (10) Shares on issue be consolidated into one (1) Share; and*

*(b) every ten (10) Options on issue be consolidated into one (1) Option,*

*and where this consolidation results in a fraction of a Share or Option being held by a Shareholder or Optionholder (as the case may be), the Directors be authorised to round that fraction up to the nearest whole Share or Option.”*

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### 3. RESOLUTION 3 – CHANGE IN NATURE AND 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 2 and 4, for the purposes of ASX Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change in the nature and 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 a person who might obtain a benefit, except a benefit solely in the capacity of a security holder if the Resolution is passed, or any associate 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.

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### 4. RESOLUTION 4 – PROSPECTUS ISSUE

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 and 3, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 20,000,000 Shares (on a post-Consolidation basis) at an issue price of \$0.20 per Share on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, 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.

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### 5. RESOLUTION 5 – PARTICIPATION BY DIRECTORS IN PROSPECTUS ISSUE

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 1-4, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given to permit the Directors (or their respective nominees) to participate in the Share issue contemplated by Resolution 4 on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any Director (or their respective nominees) and any of their associates. 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.

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**6. RESOLUTION 6 – CHANGE OF NAME**

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

*"That, subject to the passing of Resolutions 1-4, for the purposes of Section 157(1) of the Corporations Act and for all other purposes, the name of the Company be changed to US Nickel Limited."*

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**DATED: 22 JANUARY 2010**

**BY ORDER OF THE BOARD**

A handwritten signature in dark ink, appearing to read 'M. Catina', is written over a light blue horizontal line.

**MAURICE CATINA  
COMPANY SECRETARY  
LUMACOM LIMITED**

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## EXPLANATORY STATEMENT

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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 9.30 am (WST) on 24 February 2010 at Subiaco Hotel, Hay Street, Subiaco, Perth Western Australia .

This 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.

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### 1. BACKGROUND

#### 1.1 Company

The Company was incorporated on 21 December 1999 and its Shares were quoted on ASX on 12 April 2000. From June 2006 until September 2009, the Company's primary focus was the Vertigo media and outdoor advertising business. As advised by Michael Robson, the Chairman of the Board, in the Company's 2009 Annual Report, the Vertigo business had proven to be unsustainable in the face of the global economic downturn and the Company therefore intended to discontinue its association with this business and identify new business opportunities in the resources sector with which to build Shareholder value.

On 7 September 2009, the Company announced that it had entered into a heads of agreement with Indago Resources Limited (**Indago**) pursuant to which the Company agreed to acquire the Snowbird and Mid-Continent nickel and gold exploration projects in Canada and the US respectively (**Projects**) from Indago, subject to due diligence. The Board subsequently resolved to focus its activities solely within the mining sector and seek to devolve its interest in the Vertigo business.

On 30 December 2010, the Company announced that it had completed limited due diligence on the Projects and entered into formal share sale agreements to acquire the issued capital of WML Exploration BC Ltd (**WML**) and Western Metals (MN) LLC (**WMM**), the operating subsidiaries of Indago (directly and indirectly, as explained below) which separately hold the rights, title and interest in and to the Projects (**Share Sale Agreements**). (Summaries of the Share Sale Agreements are set out in Section 1.3 below.)

On 8 September 2009, the Shares in the Company were suspended from trading on ASX at the request of the Company pending completion of a proposed reorganisation of the Company's issued capital, obtaining Shareholder approval for the matters set out in this Notice of Meeting and re-complying with the requirements of Chapters 1 and 2 of the ASX Listing Rules as if the Company was seeking admission to the Official List of ASX.

#### 1.2 Transaction outline

If all Resolutions pursuant to this Notice of Meeting are passed and the Company completes the acquisition of WML and WMM pursuant to the Share Sale Agreements, then the transaction proposed by the Company will be completed as follows:

- (a) the Company will undertake the Consolidation;
- (b) the Company will issue the Prospectus;

- (c) the Company will issue the Shares pursuant to the Prospectus;
- (d) the Company will change its name to "US Nickel Limited"; and
- (e) subject to ASX approval, the Shares will be reinstated to trading on ASX.

In the event Resolutions 2-4 are not approved by Shareholders, the Company will re-consider its intentions and will seek to identify new business opportunities with which to build Shareholder value. In the event Resolutions 2-4 are not approved, there is no guarantee that ASX will permit Shares to be reinstated to trading on ASX.

### 1.3 Share Sale Agreements

As announced to ASX on 30 December 2009, the Company has entered into share sale agreements with WML Snowbird Pty Ltd (**WML Snowbird**) (a wholly owned subsidiary of Indago) and Indago pursuant to which it will acquire 100% of the issued share capital of WML and WMM respectively.

WML is a wholly owned subsidiary of WML Snowbird which holds the rights, title and interest in and to the Snowbird project. WMM is a wholly owned subsidiary of Indago which holds the rights, title and interest in and to the Mid-Continent project.

A summary of the Share Sale Agreements and other associated agreements is as follows:

#### Snowbird Project

The Company will purchase, and WML Snowbird will sell, 100% of the shares in WML held by WML Snowbird on the following material terms and conditions:

- (a) **(Conditions):** Settlement of the agreement is conditional upon WML Snowbird procuring that any outstanding loans or liability of WML in favour of WML Snowbird or Indago be repaid or otherwise discharged in full prior to settlement.
- (b) **(Consideration):** In consideration for the sale of the shares in WML, the Company will:
  - (i) issue 7,000,000 Options to WML Snowbird on the date of settlement;
  - (ii) pay \$350,000 to WML Snowbird, of which \$140,000 has previously been paid to Indago (WML Snowbird's parent entity) as a non-refundable deposit and the balance is payable on the date that is nine months after the date of settlement; and
  - (iii) upon commencement of commercial production on the Snowbird project (provided the Company/WML has delineated ore reserves of greater than 250,000 ounces of gold or gold equivalent on the project), pay \$2,000,000 to WML Snowbird, unless that amount has previously been paid by the Company to Indago under the terms of the Mid-Continent Share Sale Agreement.
- (c) **(Settlement):** Settlement of the acquisition of WML will occur on the date that is 30 business days after the satisfaction or waiver of the condition (or such other date as agreed between the parties).

- (d) **(Representations and warranties):** WML Snowbird has provided representations and warranties to the Company which are considered standard in agreements of this nature, including as to the ownership of shares in WML and title to and good standing of the tenements comprising the Snowbird project.

The Snowbird project comprises 21 tenements held by WML. Sixteen of the tenements are subject to the terms of a royalty agreement with BHP Billiton Diamonds Inc. (**BHPB**) dated 29 April 2009 (**Royalty Agreement**) which was entered into as a condition to the assignment agreement pursuant to which WML acquired the rights and title to those tenements. The Royalty Agreement provides that WML shall pay to BHPB a royalty equal to:

- (a) 2% of the net smelter returns of mineral product (all minerals other than diamonds and industrial minerals); and
- (b) 2% of the gross proceeds derived from the sale or disposition of all other mineral product (including diamonds).

### **Mid-Continent Project**

The Company will purchase, and Indago will sell, 100% of the shares in WMM held by Indago on the following material terms and conditions:

- (a) **(Conditions):** Settlement of the agreement is conditional upon:
  - (i) Indago procuring the consent of WMC Exploration Inc. (**WMC Exploration**) to transfer its interest in two of the 31 lease claims comprising the Mid-Continent project to WMM;
  - (ii) Indago transferring its interest in those lease claims to WMM; and
  - (iii) Indago procuring that any outstanding loans or liability of WMM in favour of Indago be repaid or otherwise discharged in full prior to settlement.
- (b) **(Consideration):** In consideration for the sale of the shares in WMM, the Company will:
  - (i) issue 3,000,000 Options to Indago on the date of settlement;
  - (ii) pay \$150,000 to Indago, of which \$60,000 has previously been paid as a non-refundable deposit and the balance is payable on the date that is nine months after the date of settlement; and
  - (iii) upon commencement of commercial production on the Mid-Continent project (provided the Company/WMM has delineated ore reserves of greater than 250,000 ounces of gold or gold equivalent on the project), pay \$2,000,000 to Indago, unless that amount has previously been paid by the Company to WML Snowbird under the terms of the Snowbird Share Sale Agreement.
- (c) **(Settlement):** Settlement of the acquisition of WMM will occur on the date that is 30 business days after the satisfaction or waiver of the conditions (or such other date as agreed between the parties).
- (d) **(Representations and warranties):** Indago has provided representations and warranties to the Company which are considered standard in



agreements of this nature, including as to the ownership of shares in WMM and title to and good standing of the lease claims comprising the Mid-Continent project.

The Mid-Continent project comprises 31 lease claims, of which 29 are held in the name of WMM and two (the Kane and Skalbeck claims) are held by Indago. The leases grant the lessee the right to enter the property and the exclusive right to examine, prospect, explore and test the property for ore and minerals. The lessee is also granted the exclusive option to enter into a mining lease over the property during the term of the lease. An annual rental fee is payable to the owner of the property. Upon exercise of the option to lease, the lessee will enter into a mining lease with the owner of the property which will grant the holder the right to:

- (a) explore, develop and mine, extract, remove, store, sell and dispose of ore and minerals from the property by means of underground or surface mining operations in or on the property;
- (b) carry on mining, milling, treatment and processing operations on the property;
- (c) use any part of the property for stockpiles, tailings, waste, dumps or any other purpose incidental to mining operations;
- (d) use or construct roads, facilities, buildings, mine shafts, machinery and equipment on the property; and
- (e) engage in any activity the holder deems reasonable to achieve the purposes above.

An annual rental fee is payable to the owner of the property and the lessee is also required to pay the owner a production royalty of 2% of net returns of ore and minerals extracted from the property and sold by the lessee.

It is noted that two of the 31 lease claims (the Kane and Skalbeck claims) will, after completion of the Mid-Continent Share Sale Agreement, be subject to the terms of an agreement between Indago and WMC Exploration dated 21 December 2007, pursuant to which Indago acquired the rights to those claims (**WMC Agreement**). Following completion of the Mid-Continent Share Sale Agreement, WMM (which will then be a wholly owned subsidiary of the Company) will be required to comply with the following obligations pursuant to the WMC Agreement, each of which is subject to WMM exercising the option to lease the claims and acquiring the mineral rights on the Kane and Skalbeck claims by 21 December 2011:

- (i) WMM will pay US\$250,000 to WMC Exploration by 21 January 2012;
- (ii) WMM will grant to WMC Exploration:
  - (i) a net smelter royalty equal to 2% of:
    - (A) in the case of gold and silver processed by a refinery, the number of ounces refined multiplied by the price per ounce as given in the London Metal Exchange for gold and the Handy and Harman base price for silver, less allowable deductions; and
    - (B) in all other cases, the amount received in payment for product mined from the claims and sold, less allowable deductions; and

- (ii) a gross production royalty equal to 2% of the proceeds received from the sale of diamonds and diamond products produced from the lease claims, less allowable deductions; and
- (iii) WMM will grant to WMC Exploration a pre-emptive right of first refusal, for a period of 10 years following the commencement of mining operations on the claims, to acquire marketing agency or off-take rights in respect of any minerals produced from the claims.

## 1.4 Project Summary

### Snowbird

The Snowbird Project consists of two blocks of claims (Kasba and Wendy) comprising 214 km<sup>2</sup> within the Snowbird Tectonic Zone, located 625 km northwest of the city of Thompson, Manitoba, Canada. Known nickel and gold deposits such as Nickel King (Ni), Ferguson Lake (Ni-Cu), and Meadowbank (Au) occur within or near the Snowbird Tectonic Zone, interpreted to be a suture between two Archaean crustal blocks, Rae and Hearne, which form part of the Churchill craton.

The primary exploration targets are magmatic nickel-copper  $\pm$  platinum group element (**PGE**) sulphide deposits and shear-zone-hosted gold deposits. The geology of the project area is folded and contorted amphibolite to granulite-grade Archaean gneisses, granitoids and minor amphibolites. Gabbros and rare ultramafic bodies of unknown age intrude the Archaean rocks.

A field assessment completed in 2008 confirmed anomalous nickel, base metal and gold values in glacial boulders, rock float samples, and old costeans within the Kasba claims as well as high-grade gold in rock float samples collected within the Wendy claims. Drill-ready geophysical targets are located in the vicinity of anomalous sample results at the KB-1 and KB-2 target areas (no sampling has been done over the KB-4 EM anomaly). Results from rock chip and float sampling conducted during the 2008 field investigation include:

Kasba:

- KB-1 - magmatic Ni-Cu  $\pm$  PGE target:
  - 2.57% Cu, 0.06% Ni
  - 1.88% Cu, 0.06% Ni
- KB-2 - gold-silver-base metal target:
  - 31.2 g/t Au, 806 g/t Ag, 3.16% Cu, 10.55% Zn
  - 25.4 g/t Au, 769 g/t Ag, 2.23% Cu, 7.44% Zn, 4.22% Pb

Wendy:

- 273 g/t Au
- 9.97 g/t Au

### Mid-Continent

The Mid-Continent Project is located in southwestern Minnesota, USA, and consists of two target areas, Cottonwood and Renville West, totalling 17.8 km<sup>2</sup>, both of

which are held by exploration/lease-option agreements with 31 private mineral and surface owners.

The exploration target at Mid-Continent is magmatic Ni-Cu  $\pm$  PGE sulphide deposits. The project area is positioned near the southern margin of the Superior Craton, which exhibits several world-class nickel sulphide deposits along or near its margins in Canada (including Thompson, Raglan, Voisey's Bay). Recent nickel sulphide discoveries at Lakeview (Minnesota) and Eagle (Michigan) are located in the same general region.

The Company will acquire all exploration data relating to the Mid-Continent project, including all regional geophysical data, drill hole and analytical data acquired by BHP Billiton, and later Indago. In addition, exploration will benefit from 4,500 km<sup>2</sup> of high-quality airborne geophysical data to which the Company will have access pursuant to an existing commercial arrangement with BHP Billiton.

The project lies within the Paleoproterozoic Yellow Medicine suture zone that joins two distinct Precambrian cratonic blocks, the Middle Archaean Morton Gneiss Block to the south and an unnamed block in the north comprised of the Montevideo gneiss. Mafic and ultramafic intrusives along with mafic volcanic rocks are interpreted to cover a large part of the project area. The region is covered by glacial deposits (30m to >100m) comprised of tills and clays overlain by agricultural soil.

The Cottonwood target is centred on the Cottonwood Intrusive, a large body of peridotite composition which is considered to be prospective for magmatic Ni-Cu  $\pm$  PGE sulphide mineralisation. The intrusive does not crop out, but was intersected by the Minnesota Geologic Survey during past reconnaissance drill-testing of magnetic anomalies in the region.

## **1.5 Pro-forma balance sheet**

An unaudited pro forma balance sheet (on a consolidated basis) of the Company following completion of the Share Sale Agreements (including the cash payment of \$300,000) and the offer pursuant to the Prospectus (assuming full subscription and net of costs) is set out below:

## 1.5 Pro-forma balance sheet (Cont.)

	Unaudited Consolidated  31-Dec-09 \$	Unaudited Consolidated Pro Forma 31-Dec-09 \$
<b>Current Assets</b>		
Cash Assets	474,999	3,724,999
Receivables	35,137	35,137
Other Assets	12,267	12,267
<b>Total Current Assets</b>	<b>522,403</b>	<b>3,772,403</b>
<b>Non-Current Assets</b>		
Property, Plant & Equipment	10,034	10,034
Investments - Listed Equities	68,650	68,650
Investment – Snowbird & Minnesota Project	200,000	500,000
<b>Total Non-Current Assets</b>	<b>278,684</b>	<b>578,684</b>
<b>Total Assets</b>	<b>801,087</b>	<b>4,351,087</b>
<b>Current Liabilities</b>		
Accounts Payable	79,915	79,915
Other Liabilities	25,478	25,478
<b>Total Current Liabilities</b>	<b>105,394</b>	<b>105,394</b>
<b>Total Liabilities</b>	<b>105,394</b>	<b>105,394</b>
<b>Net Assets</b>	<b>695,693</b>	<b>4,245,693</b>
<b>Equity</b>		
Issued Capital	18,923,550	22,473,550
Reserves	135,875	135,875
Accumulated Losses	(18,363,731)	(18,363,731)
<b>Total Equity</b>	<b>695,694</b>	<b>4,245,694</b>

## 1.6 Pro-forma capital structure

The capital structure of the Company following completion of the Consolidation, the Share Sale Agreements and the offer pursuant to the Prospectus (assuming full subscription) is set out below:

Security	Current	Post-Consolidation
Shares on issue at the date of the Notice of Meeting	585,838,417	58,583,842
Shares issued pursuant to Prospectus	-	20,000,000
<b>Total Shares</b>	<b>585,838,417</b>	<b>78,583,842</b>
Options exercisable at \$0.02 each (pre-Consolidation) or \$0.20 (post-Consolidation) on or before 31 December 2010	45,000,000	4,500,000
Options exercisable at \$0.01 each (pre-Consolidation) or \$0.10 (post-Consolidation) on or before 31 December 2010	27,750,000	2,775,000
Options exercisable at \$0.002 each (pre-Consolidation) or \$0.02 (post-Consolidation) on or before 31 December 2014	480,000,000	48,000,000
Options exercisable at \$0.03 each (pre-Consolidation) or \$0.30 (post-Consolidation) on or before three years from the date of issue <sup>1</sup>	10,000,000	1,000,000
<b>Total Options</b>	<b>562,750,000</b>	<b>56,275,000</b>

Notes:

- Options to be issued as part consideration of the acquisition of WMM and WML pursuant to the Share Sale Agreements; the issue of which is subject to Shareholder approval pursuant to Resolution 1.

## 1.7 Indicative timetable

Event	Date
Announcement of execution of Share Sale Agreements	30 December 2009
Notice of Meeting despatched to Shareholders	25 January 2010
General Meeting of Shareholders	24 February 2010
Settlement of Share Sale Agreements*	26 February 2010
Lodgement of Prospectus with ASIC*	26 February 2010
Closing date of Prospectus offer*	2 April 2010
Anticipated date Shares reinstated to trading on ASX*	16 April 2010

\* These dates are indicative only and the Directors reserve the right to change the dates without notice.

## 1.8 Advantages of transaction

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the proposed Resolutions:

- (a) by approving the change in the nature and scale of activities, the Company will be able to focus primarily on mining exploration activities and will be able to divest its interest in non-resources businesses which the Directors consider to be unsustainable;
- (b) the proposed mining exploration activities represent a significant opportunity for the Company;
- (c) the proposed Consolidation will result in a more simplified capital structure; and
- (d) following completion of the re-compliance requirements and reinstatement to quotation on ASX, the Directors consider that there will be increased liquidity in the Company's Shares allowing Shareholders to realise the value of their investment more readily.

## 1.9 Disadvantages of transaction

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the proposed Resolutions:

- (a) the Company will be changing the nature of its activities to become a company focused on mining exploration activities, which may not be consistent with the objectives of all Shareholders; and
- (b) there are a number of risks associated with mining exploration and the proposed activities of the Company, a comprehensive summary of which will be contained within the Prospectus to be despatched to Shareholders prior to the General Meeting.

## 1.10 Directors' recommendation

The Directors do not have any material personal interest in the outcome of the Resolutions contained in the Notice of Meeting other than as a result of the interest arising solely in their capacity as Shareholders of the Company. The Directors' security holdings (on a pre-Consolidation basis) in the Company are set out in the following table:

Director	Shares	Options
Michael Robson	1,322,585	5,000,000
Alex Hewlett	12,586,200	107,000,000
Chris Daws	50,137,800	116,000,000
John Dollisson	5,500,000	5,000,000

Each of the Directors intend to vote their Shares in favour of all of the Resolutions, subject to any voting exclusions for particular Resolutions.

Based on the information available, including that contained in this Explanatory Statement, all of the Directors consider that the proposed transactions contemplated by the Notice of Meeting are in the best interests of the Company and recommend that Shareholders vote in favour of each of the Resolutions.

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## **2. RESOLUTION 1 – APPROVAL FOR ISSUE OF OPTIONS**

### **2.1 General**

As described in Section 1.3 of this Explanatory Statement, upon settlement of the Share Sale Agreements, the Company will issue a total of 10,000,000 Options to Indago and WML Snowbird in part consideration for the acquisition of WMM and WML.

Resolution 1 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of those consideration Options.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights of conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. An exemption to ASX Listing Rule 7.1 is where the issue has the prior approval of shareholders in a general meeting.

The effect of Resolution 1 will be to allow the Directors to issue the Options to Indago and WML Snowbird during the period of three months after the General 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 Rules**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the proposed Option issue:

- (a) 10,000,000 Options will be allotted and issued on the date of settlement of the Share Sale Agreements, which the Company anticipates will occur soon after the General Meeting;
- (b) the Options will be issued in part consideration for the acquisition of WMM and WML in accordance with the terms of the Share Sale Agreements;
- (c) 3,000,000 Options will be allotted and issued to Indago and 7,000,000 Options will be allotted and issued to WML Snowbird in accordance with the terms of the Share Sale Agreements;
- (d) the Options will be issued no later than three months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (e) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the issue of the Options as the Options are being issued in part consideration for the acquisition of the share capital of

WMM and WML in accordance with the terms of the Share Sale Agreements.

It is noted that in the event Shareholder approval of Resolution 1 is not obtained, the Company will still complete the issue of the Options on the date of settlement of the Share Sale Agreements within its 15% placement capacity provided by ASX Listing Rule 7.1, but the issue of those securities without Shareholder approval will subsequently reduce the Company's ability to issue equity securities in the future without Shareholder approval.

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### **3. RESOLUTION 2 – CONSOLIDATION OF CAPITAL**

#### **3.1 Background**

Resolution 2 seeks Shareholder approval to consolidate the number of Shares and Options on issue on a one (1) for ten (10) basis (**Consolidation**).

The purpose of the Consolidation is to implement a more appropriate capital structure for the Company going forward and enable the Company to satisfy Chapters 1 and 2 of the ASX Listing Rules and obtain reinstatement to trading of its Shares on ASX (subject to Shareholder approval of Resolutions 3 and 4).

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number. The ASX Listing Rules also require that the number of options on issue be consolidated in the same ratio as the ordinary capital and the exercise price amended in inverse proportion to that ratio.

#### **3.2 Fractional entitlements and taxation**

Not all Shareholders and Optionholders will hold that number of Shares and Options which can be evenly divided by 10. Where a fractional entitlement occurs, the Directors will round that fraction up to the nearest whole Share or Option.

It is not considered that any taxation implications will exist for Shareholders or Optionholders arising from the Consolidation. However, Shareholders and Optionholders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company nor the Directors (or the Company's advisors) accept any responsibility for the individual taxation implications arising from the Consolidation.

#### **3.3 Holding statements and Option certificates**

From the date of the Consolidation:

- (a) all holding statements for Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares on a post-Consolidation basis; and
- (b) all certificates for Options (if any) will cease to have any effect, except as evidence of entitlement to a certain number of Options on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Shares to be issued to Shareholders and, to the extent required, new certificates for Options to be issued to Optionholders.



It is the responsibility of each Shareholder or Optionholder to check the number of Shares or Options held prior to disposal or exercise (as the case may be).

### **3.4 Effect on capital structure**

The effect of the Consolidation on the capital structure of the Company is set out in the table in Section 0 of this Explanatory Statement.

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## **4. RESOLUTION 3 – CHANGE IN NATURE AND SCALE OF ACTIVITIES**

### **4.1 General**

Resolution 3 seeks Shareholder approval to change the nature and scale of the activities of the Company to become a mining exploration company. Shareholder approval is required pursuant to ASX Listing Rule 11.1.2.

As outlined throughout Section 1 of this Explanatory Statement, the Company has entered into the Share Sale Agreements pursuant to which it has agreed to acquire subsidiaries of Indago which hold the rights, interest and title in and to the Snowbird and Mid-Continent nickel and gold exploration projects in Canada and the US respectively. A summary of the Share Sale Agreements and the Projects is set out in Sections 1.3 and 1.4 above.

### **4.2 Legal requirements**

ASX Listing Rule 11.1 provides that, where an entity proposes to make a significant change, either directly or indirectly, to the nature and scale of its activities, it must provide full details to ASX as soon as practicable and must comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtain the approval of holders of its shares and any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the ASX Listing Rules as if the company were applying for admission to the official list of ASX.

ASX has indicated to the Company that, given the proposed change in the nature and scale of the Company's activities, it requires the Company to:

- (a) obtain Shareholder approval for the change in nature and scale of its activities; and
- (b) in accordance with ASX Listing Rule 11.1.3, re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules as if the Company were applying for admission to the official list of ASX.

Resolution 3 seeks Shareholder approval for the change in nature and scale of the Company's activities to enable it to become a mineral exploration company.

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## **5. RESOLUTION 4 – PROSPECTUS ISSUE**

## 5.1 General

Resolution 4 seeks Shareholder approval for the allotment and issue of up to 20,000,000 Shares (on a post-Consolidation basis) at an issue price of \$0.20 each (**Placement**). The Company intends to undertake the Placement through the issue of a prospectus as part of its re-compliance with Chapters 1 and 2 of the ASX Listing Rules (**Prospectus**).

Shareholder approval for the proposed Placement is required pursuant to ASX Listing Rules 7.1. A summary of ASX Listing Rule 7.1 is set out in Section 2.1 of this Explanatory Statement.

The effect of Resolution 4 will be to allow the Directors to issue the Shares pursuant to the Placement during the period of three months after the General Meeting (or a longer period, if allowed by ASX) without using the Company's 15% annual placement capacity.

## 5.2 Technical information required by the ASX Listing Rules

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued is 20,000,000;
- (b) the Shares will be issued no later than three months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) the issue price will be \$0.20 per Share;
- (d) the Directors will issue the Shares to subscribers pursuant to the Prospectus;
- (e) 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; and
- (f) the Company intends to use the funds raised from the Placement (assuming full subscription) as follows:

Item	Amount
Acquisition costs under Share Sale Agreements	\$300,000
Exploration of Snowbird Project	\$1,800,000
Exploration of Mid-Continent Project	\$630,000
Expenses associated with the Prospectus	\$450,000 <sup>1</sup>
Working capital	\$820,000
<b>Total</b>	<b>\$4,000,000</b>

Note:

1. This amount includes a provision for \$200,000 in anticipated underwriting expenses. The Company intends to engage an underwriter for the Placement; however, as at the date of this Notice of Meeting, no underwriter has been engaged.

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## **6. RESOLUTION 5 – PARTICIPATION BY DIRECTORS IN PROSPECTUS ISSUE**

### **6.1 General**

Resolution 5 seeks Shareholder approval for the participation by Directors (and/or their nominees) in the Placement contemplated by Resolution 4. Shareholder approval for the participation by Directors (and/or their nominees) is required pursuant to ASX Listing Rule 10.11.

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

Shareholder approval for the proposed Director participation in the Placement is required pursuant to ASX Listing Rule 10.11 as each of the Directors is considered to be a related party of the Company.

It is considered that Shareholder approval under section 208 of the Corporations Act is not required for Resolution 5 as the Directors will subscribe for Shares on equivalent terms as the Shares are offered to unrelated parties under the Prospectus.

### **6.2 Technical information required by the ASX Listing Rules**

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolution 5:

- (a) the related parties to whom Shares will be issued are the Directors (Michael Robson, Alex Hewlett, Chris Daws and John Dollisson) and/or their nominees;
- (b) the Directors (or their nominees) may subscribe for up to a collective maximum of 4,000,000 Shares under the Prospectus for a combined total subscription of \$800,000. It is noted that this represents the maximum number of Shares that the Directors may collectively subscribe for under the Prospectus, and the respective subscriptions by each Director will be decided by the Directors themselves having regard to the maximum limit. It is also noted that the Directors may subscribe for less than the collective maximum allocation;
- (c) the issue price will be \$0.20 per Share;
- (d) the Shares will be issued no later than three months after the date of the General Meeting pursuant to the terms of a waiver granted by ASX and it is intended that allotment will occur on the same date;
- (e) 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; and
- (f) the Company intends to use the funds raised from the Director participation in the Placement in the manner set out in Section 5.2(f) above.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Shares to the Directors (or their nominees) as approval is being obtained under ASX Listing

Rule 10.11. Accordingly, the issue of Shares to the Directors (or their nominees) under the Prospectus will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

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**7. RESOLUTION 6 – CHANGE OF NAME**

Resolution 6 seeks a change of name for the Company to US Nickel Limited.

The Board proposes this change of name on the basis that it more accurately reflects the proposed future operations of the Company.

The adoption of the new name under Resolution 6 is to be approved by Shareholders under section 157(1) of the Corporations Act. The change of name will take effect on the day it is approved by the ASIC.

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**8. ENQUIRIES**

Shareholders may contact the Company Secretary on (+ 61 8) 6382 7200 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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**\$** means Australian dollars.

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

**ASX** means ASX Limited 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.

**Company** means Lumacom Limited (ACN 091 009 559), to be renamed US Nickel Limited subject to Shareholder approval of Resolution 6.

**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 of Meeting.

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

**Indago** means Indago Resources Limited (ACN 009 150 618).

**Notice of Meeting** or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**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.

**Share Sale Agreements** means the share sale agreements pursuant to which the Company agrees to acquire the issued capital of WMM and WML, as summarised in Section 1.3 of the Explanatory Statement.

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

**WMM** means Western Metals (MN) LLC, a limited liability company organised under the laws of the State of Minnesota, United States.

**WML** means WML Exploration BC Ltd, a Canadian corporation.

**WML Snowbird** means WML Snowbird Pty Ltd (ACN 128 818 066).

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

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## SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

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

- (a) Each Option gives the holder the right to subscribe for one Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Options.
- (b) The Options will expire at 5:00 pm (WST) on the date that is three years after the date of issue of the Options (**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 on a pre-Consolidation basis, or \$0.30 on a post-Consolidation basis (**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) A 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 except to a Related Body Corporate of the Optionholder.
- (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 a holder of the Options 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) A 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.

## PROXY FORM

**APPOINTMENT OF PROXY  
LUMACOM LIMITED  
ACN 091 009 559**

### GENERAL MEETING

I/We

of

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

Appoint

Name of proxy

OR

☐

the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the 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 General Meeting to be held at 9.30 am (WST), on 24 February 2010 at Subiaco Hotel, Hay Street, Subiaco, Perth, Western Australia, and at any adjournment thereof.

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

☐

If the Chair of the General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of **Resolution 5** please place a mark in this box.

By marking this box, you acknowledge that the Chair of the General Meeting may exercise your proxy even if he has an interest in the outcome of Resolution 5 and that votes cast by the Chair of the General Meeting for Resolution 5 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolution 5 and your votes will not be counted in calculating the required majority if a poll is called on Resolution 5.

**OR**

### Voting on Business of the General Meeting

Resolution 1 – Approval for Issue of Options  
Resolution 2 – Consolidation of Capital  
Resolution 3 – Change in Nature and Scale of Activities  
Resolution 4 – Prospectus Issue  
Resolution 5 – Participation by Directors in Prospectus Issue  
Resolution 6 – Change of Name

FOR	AGAINST	ABSTAIN
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

**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):** \_\_\_\_\_



**LUMACOM LIMITED**  
**ACN 091 009 559**

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

1. **(Appointing a Proxy):** A member entitled to attend and vote at a 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 General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the 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 General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Lumacom Limited, Suite 1, 346 Barker Road, Subiaco WA 6008; or
  - (a) facsimile to the Company on facsimile number +61 8 6382 3777,so that it is received not later than 9.30 am (WST) on 22 February 2010.

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