
COUGAR METALS NL

ABN 27 100 684 053

NOTICE OF ANNUAL GENERAL MEETING

TIME: 2:00pm (WST)

DATE: Wednesday, 27 November 2013

PLACE: The Celtic Club, 48 Ord Street, West 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) 9381 1755.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 2:00pm (WST) on Wednesday, 27 November 2013 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 9.00am on Tuesday 26 November 2013.

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return to the Company's share registry, Security Transfer Registrars, by:

- (a) **hand** to 770 Canning Highway, Applecross, Western Australia;
- (b) **post** to PO Box 535, Applecross, Western Australia, 6953; or
- (c) **facsimile** on (+61 8) 9315 2233,

so that it is received not less than 48 hours prior to commencement of the Annual General Meeting.

Proxy Forms received later than this time will be invalid.

BUSINESS OF THE MEETING

Notice is hereby given that the Annual General Meeting of Shareholders will be held at 2:00pm (WST) on Wednesday, 27 November 2013 at:

The Celtic Club
48 Ord Street
West Perth, Western Australia.

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

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

BUSINESS

1. ANNUAL REPORT

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2013, which includes the Directors' Report, Financial Statements, Notes to the Financial Statements and the independent Auditor's Report for the year ended 30 June 2013.

Short Explanation: There is no requirement for shareholders to approve the Annual Report. The tabling of the Annual Report provides an opportunity for shareholders to ask any questions related to the Annual Report of the Company or make comment.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2013.”

Short Explanation: The Annual General meeting of a listed company must propose that the Remuneration Report be adopted by Shareholders.

Voting Exclusion: A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:

- (a) a member of the Key Management Personnel, details of whose Remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (d) the vote is not cast on behalf of a person in sub-paragraphs (a) or (b) above.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR PAUL HARDIE

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

“That Mr Hardie, a director of the Company who retires by rotation in accordance with Rule 7.3(a) of the Constitution and is eligible for re-election, is re-elected as a director of the Company.”

Short Explanation: Pursuant to Rule 7.3(a) of the Constitution, if the Company has 3 or more Directors, one third of the Directors (rounded down to the nearest whole number) must retire at each Annual General Meeting. A director who retires in accordance with Rule 7.3(a) of the Constitution is eligible for re-election at the Annual General Meeting.

Voting Exclusion: The Company will disregard any votes cast on this resolution by Mr Hardie, and any of his associates.

4. RESOLUTION 3 – CHANGE OF AUDITOR

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

“That, subject to the resignation of the current auditor of the Company, for the purposes of Section 327B of the Corporations Act, Bentleys Audit & Corporate (WA) Pty Ltd, having consented to act as the Company’s auditor, be appointed as the auditor of the Company with effect from the passing of this Resolution.”

Short Explanation: Pursuant to section 327B of the Corporations Act, shareholders are required to appoint an auditor of the Company to fill any vacancy in the office of auditor.

Voting Exclusion: Nil

OTHER BUSINESS

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

DATED: FRIDAY, 18 OCTOBER 2013

BY ORDER OF THE BOARD



**MICHAEL FRY
COMPANY SECRETARY**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the Business of the meeting.

The Explanatory Statement should be read in conjunction with the Notice of Meeting.

Shareholders should read the Notice and this Explanatory Statement carefully before deciding how to vote on Resolutions.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy will not preclude a Shareholder from attending and voting at the Meeting in person.

1. ANNUAL REPORT

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the Annual Report of the Company for the financial year ended 30 June 2013.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so. The Company's annual financial report is available at <http://www.cgm.com.au>

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) Discuss the Annual Report for the financial year ended 30 June 2013.
- (b) Ask questions or make comment on the management of the Company.
- (c) Ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the auditor's report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

2.1 General

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Director's report contained in the annual financial report of the Company for the financial year ended 30 June 2013.

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the Shareholders. However, such a resolution is advisory only and does not bind the Directors of the Company.

Under changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the remuneration report at the annual general meeting, and then again at the Company's 2014 annual general meeting, the Company will be required to put to Shareholders at the 2014 annual general meeting a resolution proposing the calling of an [extraordinary] general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the [extraordinary] general meeting (**Spill Meeting**) within 90 days of the Company's 2014 annual general meeting. All of the Directors, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting, those persons whose election or re-election as Directors is approved will be the directors of the Company.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

2.2 Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or any Closely Related Party of that member as your proxy to vote on this Resolution 1, *you must direct the proxy how they are to vote*. Where you do not direct the chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or any Closely Related Party of that member on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to this Resolution 1.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR - MR PAUL HARDIE

Rule 7.3(a) of the Constitution requires that, if the Company has 3 or more Directors, one third of the Directors (rounded down to the nearest whole number) must retire at each Annual General Meeting.

Pursuant to Rule 7.3 of the Constitution, the Directors to retire in these circumstances are eligible for re-election and shall be those who have held their office as Director the longest period of time since their last appointment. The Rule does not apply to the Managing Director of the Company.

Mr Paul Hardie, a director of the Company, will retire in accordance with Rule 7.3(a) of the Constitution and, being eligible, seeks re-election.

4. RESOLUTION 3 – CHANGE OF AUDITOR

Deloitte Touche Tohmatsu have been engaged as the Company's auditor since 2010. The Directors believe this is an appropriate length of time to retain an auditor and consider a review of who audits the Company is appropriate.

With this in mind the Company examined a number of audit firms and through this process identified Bentleys Audit & Corporate (WA) Pty Ltd to be the preferred appointment on the basis of cost, experience and knowledge of the Company's affairs.

The Directors understand that the Company's current auditor, Deloitte Touche Tohmatsu, will give notice to ASIC of their intention to resign as auditor of the Company (under section 329(5) of the Corporations Act), and upon receipt of the consent of ASIC, will resign as auditor of the Company.

A shareholder's letter nominating Bentleys Audit & Corporate (WA) Pty Ltd as auditors of the Company is appended to this notice of annual general meeting.

Subject to ASIC consenting to the resignation of Deloitte Touche Tohmatsu, it is proposed that the Company by this resolution appoint Bentleys Audit & Corporate (WA) Pty Ltd with effect from the passing of this Resolution.

5. ENQUIRIES

Shareholders may contact Mr Michael Fry (Company Secretary) on (+ 61 8) 9381 1755 if they have any queries in respect of the matters set out in this document.

GLOSSARY

\$ means Australian dollars.

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

ASIC means Australian Securities & Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691).

Board means the board of directors of the Company as constituted from time to time.

Closely Related Party of a member of the key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Act 2001* (Cth).

Company means Cougar Metals NL (ABN 27 100 684 053).

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

Directors means the directors of the Company from time to time.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice of Meeting means this notice of annual general meeting including the Explanatory Statement.

Proxy Form means the proxy form accompanying the Notice of Meeting.

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

Shareholder means a holder of a Share.

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