
GLOBAL METALS EXPLORATION NL

ABN 23 124 140 889

NOTICE OF GENERAL MEETING

TIME: 11.00am (WST)

DATE: 27 August 2013

PLACE: Level 2, 6 Kings Park Road
West Perth WA 6005

This Notice of Meeting and Explanatory Statement 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 (08) 9480 0111.

CONTENTS

Notice of General Meeting (setting out the proposed Resolutions)	3
Explanatory Statement (explaining the proposed Resolutions)	7
Glossary	15
Schedule A – Terms and conditions of Options	16
Proxy Form	17

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders of Global Metals Exploration NL which this Notice of Meeting relates to will be held at 11:00am WST on 27 August 2013 at Level 2, 6 Kings Park Road West Perth WA 6005.

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.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed proxy form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

New 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 changes to the Corporations Act, as they will apply to this General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all 'directed' proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on 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:**

- 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
- 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
- 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
- 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:

- 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
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - 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 of Global Metals Exploration NL will be held at Level 2, 6 Kings Park Road West Perth WA 6005 at 11:00am WST on 27 August 2013.

The Explanatory Statement annexed 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 at 7:00pm WST on 23 August 2013.

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

AGENDA

1. RESOLUTION 1 – CONSOLIDATION OF CAPITAL

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

"That in accordance with section 254H of The Corporations Act, Listing Rule 7.20 and the Constitution and for all other purposes, the Company be authorised to undertake a consolidation of its issued capital on a 1 for 10 basis (Consolidation), with the Consolidation taking effect on a date announced to ASX in accordance with the Listing Rules and with any fractional entitlements being rounded down to the nearest whole number, on the terms and conditions in the explanatory memorandum."

2. RESOLUTION 2 – ISSUE OF SECURITIES TO RM CAPITAL IN RESPECT OF QUARTERLY DEBT FINANCING AGREEMENT FEE

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue and allot shares up to the number of Shares, that when multiplied by the issue price, has a value of \$18,000, along with one Option for every two shares issued, to RM Capital Group Pty Ltd (RM Capital), on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 2 by RM Capital, their nominees, and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 2 is passed and any associate of those persons. However the Company need not disregard a vote if it is cast by a person as 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.

3. RESOLUTION 3- ISSUE OF CONVERTIBLE NOTE TO RM CAPITAL

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue Convertible Notes with an aggregate face value of up to \$2,500,000 to RM Capital, and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 3 by RM Capital, their nominees, and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 3 is passed and any associate of those persons. However the Company need not disregard a vote if it is cast by a person as 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.

4. RESOLUTION 4 – PLACEMENT OF SHARES

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue and allot shares up to that number of Shares, when multiplied by the issue price, has a value of \$1,000,000, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 4 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 4 is passed and any associate of those persons. However the Company need not disregard a vote if it is cast by a person as 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.

5. RESOLUTION 5 – PLACEMENT OF OPTIONS

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue and allot 200 million Options (pre Consolidation) to various parties, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 5 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 5 is passed and any associate of those persons. However the Company need not disregard a vote if it is cast by a person as 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.

DATED: 26 July 2013

BY ORDER OF THE BOARD

**LIA DARBY
MANAGING DIRECTOR
GLOBAL METALS EXPLORATION NL**

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 of Global Metals Exploration NL to be held at Level 2, 6 Kings Park Road WWST Perth WA 6005 at 11:00 WST on 27 August 2013.

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 which are the subject of the business of the Meeting.

1. RESOLUTION 1 – CONSOLIDATION OF CAPITAL

1.1 Resolution 1 seeks Shareholder approval for the Company to undertake a consolidation of the number of Securities on issue on the basis that every 10 Securities be consolidated into one Security (**Consolidation**). The purpose of the Consolidation is to implement a more appropriate capital structure for the Company going forward.

1.2 Legal Requirements

Section 254H of the Corporations Act enables a company to convert all or any of its securities into a smaller number of securities by a resolution passed at a general meeting. The conversion proposed by Resolution 1 is permitted under section 254H of the Corporations Act.

1.3 Fractional Entitlements and Taxation

Not all Shareholders will hold that number of Securities in the Company, which can be evenly divided by 10. Where a fractional entitlement occurs, the Directors will round that fraction down to the nearest whole Security.

It is not considered that any taxation implications will exist for Shareholders arising from the Consolidation. However, Shareholders are advised to seek their own taxation 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.

1.4 Holding Certificates

From the date of the Consolidation:

- (a) all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis;
- (b) after the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those securities; and
- (c) it is the responsibility of each Shareholder to check the number of Shares held prior to disposal or exercise (as the case may be).

1.5 Consolidation Timetable

Event	Date
<p>GXN announces reorganisation.</p> <p>GXN sends out notices for security holders' meeting.</p>	Monday 29 July 2013
<p>↓</p> <p>GXN Shareholder meeting and announcement of results to ASX.</p>	Tuesday 27 August 2013
<p>↓</p> <p>Last day for trading in pre-reorganised *securities.</p> <p>Note: Details of holdings will change where there is a change to the number of securities, a change to the exercise price of options, or a change to the par value (if any) of securities.</p>	Wednesday 28 August 2013
Trading in the reorganised securities on a deferred settlement basis starts.	Thursday 29 August 2013
<p>Last day for GXN to register transfers on a pre-reorganisation basis.</p> <p>Note: In the case of certificated holdings, this means it is the last day for entity to accept transfers accompanied by certificates issued before the reorganisation.</p>	Wednesday 4 September 2013
<p>↓</p> <p>If the details of holdings change as a result of the reorganisation:</p> <ul style="list-style-type: none"> • First day for entity to send notice to each security holder. • In the case of uncertificated holdings, first day for entity to register *securities on a post-reorganisation basis and first day for issue of holding statements. • In the case of certificated holdings, first day for issue of new certificates. From now on, the entity rejects transfers accompanied by a certificate that was issued before the reorganisation. <p>Note: The notice tells the security holder of the number of securities held before and after the reorganisation.</p> <p>↓</p>	Thursday 5 September 2013

<ul style="list-style-type: none"> • ⁺Issue date. ⁺Deferred settlement market ends. • Last day for ⁺securities to be entered into the holders' security holdings. If ⁺securities are certificated, last day for the entity to issue them and send the certificates to the holders. • Last day for entity to send notice to each security holder. <p>Note: normal (T+3) trading starts on the next business day after the issue date (i.e. day 12) provided the entity tells ASX by noon that the issue has occurred.</p>	Wednesday 11 September 2013
<ul style="list-style-type: none"> • Normal trading post consolidation begins 	Thursday 12 September 2013

The Company reserves the right to alter the timetable as required and allowed by ASX Listing rules and the Corporations Act.

1.6 Effect on capital structure

The effect which the Consolidation will have on the capital structure of the Company is detailed in the table below.

ISSUED CAPITAL			
Details	Exercise price and expiry	Number	Consolidation
FPO		1,394,493,959	139,449,396
Partly Paid Shares	\$0.075 (paid up amount)	115,901,984	11,590,198
GXNOB Options	\$0.02 1/11/2015	344,020,295	34,402,030
GXNOA Options	\$0.003 31/12/2016	268,101,327	26,810,133

Partly paid shares will be paid up to \$0.75, with \$1.25 outstanding per share
GXNOB options will be convertible into shares on 1:1 basis at \$0.20
GXNOA options will be convertible into shares on 1:1 basis at \$0.03

2. RESOLUTION 2 – ISSUE OF SECURITIES TO RM CAPITAL IN RESPECT OF QUARTERLY DEBT FINANCING AGREEMENT FEE

2.1 Resolution 2 seeks shareholder approval for the issue of the number of Shares, that when multiplied by the issue price is equal to up to the value of up to \$18,000, along with a one for two attaching Option to RM Capital in respect of the quarterly fee for the Capital Raising Mandate.

In January 2013, the Company entered into a Funding Agreement with RM Capital Group Pty Ltd whereby RM capital would provide certain corporate advice, inclusive of assisting with the Share Placement Plan (SPP) completed in January 2013, and assist with debt financing via a convertible note for up to \$800,000, to be drawn down in increments of \$50,000 following an initial drawdown of \$200,000 (Convertible Note). The interest rate attributable to the Convertible Note is 4% and the repayment date is 31 December 2014. This Funding Agreement was the subject of withdrawn resolutions of the shareholder meeting held on May 22 2013. As the

Company adjourned this meeting from 17 May 2013, the Agreement was breached and the Capital Raising Mandate replaces the prior agreement.

A summary of the terms and conditions of the Capital Raising Mandate can be found in Section 3.2 below.

The effect of Resolution 2 will be to allow the Directors to issue the Shares and Options to RM Capital during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

A summary of ASX Listing Rule 7.1 is set out in Section 2.2 below.

2.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that (subject to certain exceptions, none of which is relevant here) prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of shares on issue at the commencement of that 12 month period.

Technical Information Required by ASX Listing Rule 7.1

For the purposes of ASX Listing Rule 7.3, the following information is provided in relation to the issue:

- (a) the maximum number of Shares to be issued pursuant to Resolution 2 will be that number of Shares which, when multiplied by the issue price equals \$18,000, and the number of Options will be 50% of the number of Shares;
- (b) the Shares and Options will be issued and allotted no later than three months after the date of this Meeting,;
- (c) the issue price of the Shares will be at a price which is the lower of:
 - (i) the price which is the average market price of the Shares calculated over the last 5 days on which sales in the Shares were recorded before the date on which the issue is made; and
 - (ii) \$0.002 per Share;
- (d) Options will be issued for nil consideration.
- (e) the allottee in respect of Resolution 2 is RM Capital or a nominee of RM Capital. The allottee/s will not be related parties of the Company;
- (f) the Shares allotted and issued will be fully paid ordinary Shares in the capital of the Company and will rank equally with the existing ordinary fully paid Shares on issue, and the Options in accord with the terms and conditions in Schedule A; and
- (g) no funds will be raised from this issue as it is in respect of the \$6,000 monthly draw down fee prescribed in the Funding Agreement, for the period covered by this resolution being September 2013 to November 2013 inclusive.

2.3 Directors' Recommendation

None of the Directors has a material personal interest in the subject matter of Resolution 2. The Board recommends Shareholders vote in favour of Resolution 2 as it will enable the Company to fund its ongoing commitments.

3. RESOLUTION 3- ISSUE OF CONVERTIBLE NOTES TO RM CAPITAL

3.1 Resolution 3 seeks Shareholder approval for the issue of Convertible Notes with an aggregate face value of up to \$2,500,000 in accordance with the Convertible Note Placement terms contained within the Capital Raising and Corporate Advisory Mandate (**Capital Raising Mandate**) to RM Capital.

The Convertible Note and its conversion forms part of the Capital Raising Mandate as summarised in below.

A summary of ASX Listing Rule 7.1 is set out in section 2.1 above.

The effect of Resolution 3 will be to allow the Company to issue the Convertible Notes pursuant to the Capital Raising Mandate, without using the Company's 15% annual placement capacity set out in ASX Listing Rule 7.1. ASX listing rule 7.3.2 provides that the issue of the convertible notes must occur no later than 3 months after the date of the General Meeting. That is, only Convertible Notes issued within 3 months from the date of the General Meeting will be under Resolution 3 approval.

It is presumed that only a small portion of the Convertible Notes will be issued within the 3 months allowed under Resolution 3. The Company intends to apply to ASX to grant the Company a waiver of listing rule 7.3.2 in order for the issue of the Convertible Notes to occur no later than 24 months from the date of the Annual General Meeting. The Company intends to seek shareholder approval for the remainder of the Convertible Notes at the Annual General Meeting, should the waiver be approved by the ASX.

In the event that ASX does not grant the waiver sought, the Company intends to seek shareholder approval, under listing rule 7.1 and 7.4 as applicable, across the two year time frame proposed, for each convertible note issue outside of the 3 months provided for in Resolution 3.

3.2 Terms of Convertible Notes

The key terms of the Convertible Notes are as follows:

- (a) the term of the Convertible Notes is twenty four (24) months from the date of issue of the first Convertible Note by the holder in accordance with the Capital Raising Mandate;
- (b) the aggregate face value of the Convertible Notes is to be no more than \$2,500,000;
- (c) the Convertible Notes will carry an interest rate of 4% per annum payable quarterly. The holder may elect for the interest to be paid in;
 - (i) Shares (which will be issued at the lesser of \$0.002 or 80% of the 5 Trading Day VWAP per Share for outstanding interest) together with one (1) free Option for every two (2) Shares issued to be issued out of the Company's 15% capacity; or
 - (ii) cash;

- (d) the Convertible Notes will be convertible into Shares at the lesser of \$0.005 or 80% of the 5 Trading Day VWAP per Share together with one (1) free Option for every two (2) Shares issued;
- (e) holders of Convertible Notes will have a right to call conversion any time after the issue of the Convertible Notes;
- (f) the conversion of the Convertible Notes into Shares and Options is not conditional upon further Shareholder approval unless the Convertible Notes are not issued within the time frame approved within this meeting, being three (3) months (assuming no additional approval is obtained), or any additional shareholder approved time frame at a future shareholder meeting.
- (g) the Company may draw down on the convertible note loan facilities during the availability period, which commences on the day the holder confirms the availability of a convertible note loan facility to the Company and ceases on a date that is no later than 24 months from the date of issue of the first Convertible Note to the holder;
- (h) the Company does not intend to list the Convertible Notes for quotation on ASX and it is not obliged to do so; and
- (i) the Convertible Notes are unsecured.

3.3 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 Note Issue:

- (a) The Convertible Notes will be issued with a total face value of no more than \$2,500,000 and are convertible into Shares at the lesser of \$0.005 or 80% of the 5 Trading Day VWAP per Share along with one (1) free Option for every two (2) Shares issued;
- (b) the Convertible Notes will carry an interest rate of 4% per annum payable quarterly in either cash or Shares and Options (at the holder's election). Any Shares and Options issued pursuant to the interest carried on the Convertible Notes will be issued at the lesser of \$0.002 or 80% of the 5 Trading Day VWAP per Share together with one (1) free Option for every two (2) Shares issued;
- (c) the Convertible Notes will be issued and allotted no later than three months after the date of this Meeting;
- (d) the Convertible Notes will be issued to sophisticated investors, who are not related parties of the Company;
- (e) the Shares issued on conversion of the Convertible Notes 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 Options issued upon the conversion of the Convertible Notes will be issued on the terms set out in Schedule A of this Explanatory Statement;
- (g) the Company will make an application for Official Quotation by ASX of all Shares issued upon the conversion of the Convertible Notes;
- (h) the Company will apply for the Official Quotation of the Options on ASX; and

- (i) the Company intends to use the funds raised from the Convertible Notes to fund working capital.

3.4 Risk of voting dilution

The conversion of Convertible Notes into Shares will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the Convertible Notes, the economic and voting dilution of existing Shares would be as shown in the table below.

ISSUED CAPITAL			DILUTION	
Details	Number	Consolidation	Undiluted	Diluted
FPO	1,394,493,959	139,449,396	100.00%	28.48%
Resolution 2	18,000,000	180,000		
Resolution 3*	2,500,000,000	250,000,000		
Resolution 4	1,000,000,000	100,000,000		
Total FPO	4,912,493,959	489,629,396		
Total Partly Paid Shares	115,901,984	11,590,198		
Total GXNOB Options	344,020,295	34,402,030		
GXNOA	268,101,327	26,810,133		
Resolution 2	9,000,000	90,000		
Resolution 3*	1,250,000,000	125,000,000		
Resolution 4	n/a	n/a		
Resolution 5	200,000,000	20,000,000		
Total GXNOA Options	1,727,101,327	171,900,133	83.87%	21.08%

Following consolidation:

Partly paid shares will be paid up to \$0.75, with \$1.25 outstanding per share

GXNOB options will be convertible into shares on 1:1 basis at \$0.20

GXNOA options will be convertible into shares on 1:1 basis at \$0.03

Current shareholders would retain 28.48% on an undiluted basis upon issue of the shares in Resolutions 2-4

Current shareholders would retain 21.08% on a fully diluted basis upon issue of the shares and options in Resolutions 2-5

* Presumes all of the \$2,500,000 Convertible Notes are issued and converted into shares and options under Resolution 3. The Company notes only a portion will be issued in the 3 months provided for by Resolution 3, with the remainder subject to further approval by shareholders.

3.5 Directors' Recommendation

None of the Directors has a material personal interest in the subject matter of Resolution 3. The Board recommends Shareholders vote in favour of Resolution 3 as it will enable the Company to fund its ongoing commitments.

4. RESOLUTION 4 – PLACEMENT OF SHARES

- 4.1** Resolution 4 seeks shareholder approval for the allotment and issue of up to that number of Shares, when multiplied by the issue price, will raise up to \$1,000,000 (Placement).

A summary of ASX Listing Rule 7.1 is set out in section 2.2 above

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 Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

4.2 Technical information required by ASX Listing Rule 7.1

For the purposes of ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued pursuant to the Placement will be that number of Shares which, when multiplied by the issue price equals \$1,000,000;
- (b) the Shares will be issued and allotted no later than three months after the date of this Meeting or such later date as approved by ASX;
- (c) the issue price of the Shares will be at a price which is at least 80% of the average market price of the Shares calculated over the last 5 days on which sales in the Shares were recorded before the date on which the issue is made.
- (d) the allottees in respect of Resolution 4 are not, as yet, identifiable, but will be subscribers to be identified by the Company and any brokers appointed by the Company to manage the issue. The allottees will not be related parties of the Company;
- (e) the Shares allotted and issued will be fully paid ordinary Shares in the capital of the Company and will rank equally with the existing ordinary fully paid Shares on issue; and
- (f) the Company intends to use the funds raised by the Placement towards further gold exploration on its Jutson Rocks project in Western Australia, for work on the Leonora project and for working capital purposes.

4.3 Directors' Recommendation

None of the Directors has a material personal interest in the subject matter of Resolution 4. The Board recommends Shareholders vote in favour of Resolution 4 as it will enable the Company to raise funds necessary to maintain its operations.

5. RESOLUTION 5 - PLACEMENT OF OPTIONS

- 5.1** Resolution 5 seeks shareholder approval for the allotment and issue of up to 200,000,000 Options (pre consolidation) (Option Placement).

A summary of ASX Listing Rule 7.1 is set out in section 2.2 above.

The effect of Resolution 5 will be to allow the Directors to issue the Options pursuant to the Option Placement during the period of three months after the Meeting (or a

longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.2 Technical information required by ASX Listing Rule 7.1

For the purposes of ASX Listing Rule 7.3, the following information is provided in relation to the Option Placement on a re consolidation basis:

- (a) the maximum number of Options to be issued pursuant to the Option Placement will be 200,000,000;
- (b) the Options will be issued and allotted no later than three months after the date of this Meeting or such later date as approved by ASX;
- (c) the issue price of the Options will be nil;
- (d) the allottees in respect of Resolution 5 are not, as yet, identifiable, but may be subscribers to the Placement in Resolution 4, other subscribers to be identified by the Company and/or any advisors appointed by the Company to manage the Placement. The allottees will not be related parties of the Company;
- (e) the Options will be issued on the terms and conditions set out in Schedule A; and
- (f) the Company intends to use the Option Placement only if required to incentivise Placement recipients, brokers, advisors or as otherwise deemed necessary. No funds will be raised from the Option Placement, if utilised.

5.3 Directors' Recommendation

None of the Directors has a material personal interest in the subject matter of Resolution 5. The Board recommends Shareholders vote in favour of Resolution 5 as it will enable the Company to incentive investors and brokers in any potential raising.

6. GLOSSARY

\$ means Australian dollars.

ASX means ASX Limited (ACN 008 724 791).

ASX Listing Rules or **Listing Rules** means the Listing Rules of the ASX and any other rules of the ASX which are applicable while the entity is admitted to the Official List of the ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Board means the board of Directors.

Capital Raising Mandate means the funding agreement entered into by the Company with RM Capital for 50 tranches of Convertible Notes of \$50,000 to a maximum of \$2,500,000.

Company or **Global Metals Exploration** means Global Metals Exploration NL (ABN 23 124 140 889).

Consolidation means the consolidation of the capital of the Company on a 1:10 basis.

Constitution means the constitution of the Company.

Convertible Notes means the convertible notes to be issued to RM Capital in respect of the Financing Agreement to a maximum value of \$2,500,000.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

EST means Eastern Standard Time as observed in Sydney, Australia.

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

General Meeting means the General Meeting of the Company to be held on 27 August 2013.

Notice of Meeting means this notice of meeting, including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share in the Company.

Option Placement has the meaning set out in Section 5.1.

Placement has the meaning set out in Section 4

Related Party has the meaning given to it by Section 228 of the Corporations Act 2001 (Cth).

Resolution means a resolution to be considered at the General Meeting as contained in the Notice of Meeting.

Securities means Shares, partly paid Shares, and Options in the capital of the Company

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

Shareholder means a shareholder of the Company.

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

SCHEDULE A – TERMS AND CONDITIONS OF OPTIONS

\$0.003 31 December 2016 Option Terms and Conditions (pre Consolidation)

- (a) Each Option entitles the holder to acquire one fully paid ordinary Share in the Company.
- (b) The options have an exercise price of \$0.003 (Exercise Price) and will expire at 5.00pm WST 31 December 2016(Expiry Date).
- (c) The Options are exercisable at any time on or prior to the Expiry Date.
- (d) The Options may be exercised by giving notice in writing to the Company (Notice of Exercise), together with payment of the sum of three tenths of a cent (\$0.003) per Option exercised. The Options will lapse at 5.00pm WST 31 December 2016. Any Notice of Exercise received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.
- (e) The Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of Options at any time until 31 December 2016. This right is subject to any restrictions on the transfer of an Option that may be imposed by ASX in circumstances where the Company is listed on ASX.
- (f) Option holders shall be permitted to participate in new issues of securities on the prior exercise of options in which case the Option holders shall be afforded the period of at least nine (9) business days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise the Option.
- (g) Shares issued on the exercise of Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of an Option will rank equally with the then issued ordinary shares of the Company in all respects. If the Company is listed on ASX it will, pursuant to the exercise of an Option, apply to ASX for Quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act and the Listing Rules.
- (h) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital at the time of the reconstruction.
- (i) If there is a bonus issue to shareholders, the number of shares over which the Option is exercisable may be increased by the number of shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
- (j) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced in accordance with Listing Rule 6.22.2.
- (k) The Company will apply for the Options to be listed and fully tradeable on the ASX as soon as is practicable after their issue.
- (l) Payment of the Exercise Price shall be in Australian currency made payable to the Company by electronic funds transfer or other means of payment acceptable to the Company. The application for shares on exercise of the Options with the appropriate remittance should be lodged with the Company in the manner provided in the Option certificate.

PROXY FORM

**APPOINTMENT OF PROXY
GLOBAL METALS EXPLORATION NL
ACN 124 140 889**

GENERAL MEETING

I/We

of

being a Shareholder entitled to attend and vote at the Meeting, hereby

appoint

Name of proxy

OR

☐

the Chair as my/our proxy

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 11:00am (WST), on 27 August 2013 at Level 2, 6 Kings Park Road West Perth WA 6005, and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

		FOR	AGAINST	ABSTAIN
Resolution 1	Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Issue of securities to RM Capital – Quarterly Fee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of up to \$2.5m of Convertible Notes to RM Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Placement of Options	<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.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____ %

Signature of Shareholder(s):

Date: _____

Individual or Shareholder 1

Shareholder 2

Shareholder 3

**Sole
Secretary**

Director/Company

Director

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. 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 Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders 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 Proxy 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. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Global Metals Exploration NL, PO Box R1870, Royal Exchange NSW 1225; or
 - (b) facsimile to the Company on facsimile number +61 (0)2 9235 3889.

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

Proxy Forms received later than this time will be invalid.