



**MHM METALS LIMITED**  
**ABN 41 124 212 175**

# **Notice of Annual General Meeting**

## **Explanatory Statement and Proxy Form**

Date of Meeting:  
**Monday 16 January 2017**

Time of Meeting:  
**1:00 PM (AEDST)**

Place of Meeting:  
**The Offices of Grant Thornton**  
**The Rialto**  
**Level 30**  
**525 Collins Street**  
**Melbourne Victoria, 3000**

*This Notice of Annual General 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  
accountant, solicitor or other professional advisor without delay*

# MHM METALS LIMITED

ABN 41 124 212 175

Registered office: Level 4, 100 Albert Road, South Melbourne Victoria 3205

## NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Members of MHM Metals Limited (the "Company") will be held at the offices Grant Thornton, The Rialto, Level 30, 525 Collins Street, Melbourne, Victoria, 3000 at 1.00pm (AEDST) on Monday 16 January 2017.

### AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

#### ORDINARY BUSINESS

##### Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2016.

*Note: Except as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly no resolution will be put to shareholders on this item of business.*

##### Resolution 1: Adoption of Remuneration Report

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

*"That for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2016 be adopted."*

##### Resolution 2: Election of Mr Paul Harley as a Director of the Company

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

*"That, Mr Paul Harley, having been appointed to the Board during the year, retires as a Director in accordance with the Constitution and having consented and being eligible for election, be elected as a Director."*

##### Resolution 3: Election of Mr Francis DeSouza as a Director of the Company

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

*"That Mr Francis DeSouza, having been appointed to the Board during the year, retires as a Director in accordance with the Constitution and having consented and being eligible for election, be elected as a Director."*

DATED this 15<sup>th</sup> day of December 2016 at Melbourne

By order of the Board



**Justin Mouchacca**  
Company Secretary

## NOTES:

1. **Entire Notice:** The details of the resolution contained in the Explanatory Notes accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7pm on the date 48 hours before the date of the Annual General Meeting will be taken, for the purposes of the Meeting, to be held by the persons who held them at that time. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
  - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
  - b. Each shareholder has a right to appoint one or two proxies.
  - c. A proxy need not be a shareholder of the Company.
  - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution.
  - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
  - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
  - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
  - h. To be effective, proxy forms must be received by the Company's share registry (Security Transfer Australia Pty Ltd) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 1.00pm (AEDST) on 14 January 2017. Any proxy received after that time will not be valid for the scheduled meeting.

## 4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

## 5. Voting Exclusion Statement:

### Resolution 1

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote cast as proxy for a person entitled to vote in accordance with a direction on the proxy form.

Any undirected proxies held by Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 (excluding the Chairman) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the proxy form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

### Resolution 2

There are no voting exclusions on this resolution.

### Resolution 3

There are no voting exclusions on this resolution.

## 6. Enquiries

Shareholders are invited to contact the Company Secretary, Justin Mouchacca on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

## EXPLANATORY STATEMENT

### Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2016 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report) and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively you may access the annual report at the Company's website: [www.mhmetals.com](http://www.mhmetals.com) or via the Company's announcement platform on ASX. Except for as set out in Resolution 1, no resolution is required on these reports.

### Resolution 1: Adoption of Remuneration Report

Section 250R(3) of the Corporations Act 2001 requires that a resolution to adopt the remuneration report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2016 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act 2001, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the remuneration report at the Annual General Meeting.

The Corporations Act 2001 requires the Company to put a resolution to Shareholders that if in accordance with Division 9 of Part 2G.2 of the Corporations Act, twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must submit for re-election.

It is noted that at the Company's last Annual General Meeting, the votes cast against the remuneration report represented less than twenty five (25%) per cent of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

A voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. Key Management Personnel and their closely related parties may not vote on this Resolution and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairman and expressly authorises the Chairman to exercise the proxy.

The Chairman will use any such proxies to vote in favour of Resolution 1. The Company encourages all eligible Shareholders to cast their votes in favour of Resolution 1 (Remuneration Report).

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

### ***Voting Exclusions***

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote cast as proxy for a person entitled to vote in accordance with a direction on the proxy form.

Any undirected proxies held by Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 (excluding the Chairman) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. The Chairman will vote undirected proxies in favour of Resolution 1.

## **Resolution 2: Election of Mr Paul Harley as a Director of the Company**

Mr Paul Harley was appointed as a director on 2 December 2016 as a casual vacancy and is eligible for election.

Mr Harley is a lawyer and Principal of law firm Hunt & Humphry Project Lawyers, with experience in providing advice to listed public and private companies and in all aspects of project acquisitions and disposals. Mr Harley has practised corporate and commercial law for over 14 years.

### ***Directors Recommendation***

The Board (with Mr Harley abstaining), recommends that shareholders vote in favour of the election of Mr Harley. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Harley's election.

### ***Voting Exclusions***

There are no voting exclusions on this resolution.

## **Resolution 3: Election of Mr Francis DeSouza as a Director of the Company**

Mr Francis DeSouza was appointed as a director on 7 December 2016 as a casual vacancy and is eligible for election.

Mr DeSouza has over 15 years' experience in equity markets and corporate advisory including mergers and acquisitions, asset divestments and corporate business development. His career includes time at Citigroup Capital Markets and Burnvoir Corporate Finance as well as being a founding director of Otsana Capital. More recently he has served on the Board of various ASX listed companies in a non-executive capacity and is currently founder of software development company Appstablishment providing mobile application solutions to the supply chain industry.

### ***Directors Recommendation***

The Board (with Mr DeSouza abstaining), recommends that shareholders vote in favour of the election of Mr DeSouza. The Chairman of the meeting intends to vote undirected proxies in favour of Mr DeSouza election.

### ***Voting Exclusions***

There are no voting exclusions on this resolution.

## GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2016;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEDST**” means Australian Eastern Daylight Standard Time;

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**CHESS**” has the meaning in Section 2 of the ASX Settlement Operating Rules;

“**Closely Related Party**” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

“**Company**” means MHM Metals Limited ABN 41 124 212 175;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Explanatory Memorandum**” means the explanatory memorandum which forms part of the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Key Management Personnel**” means 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;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Statement;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of MHM Metals Limited for the financial year ended 30 June 2016 and which is set out in the 2016 Annual Report;

“**Resolution**” means a resolution referred to in the Notice;

“**Schedule**” means schedule to the Notice;

“**Section**” means a section of the Explanatory Memorandum;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Shareholder**” means shareholder of the Company;