

## MHM Metals Limited

ACN 124 212 175

### **Notice of Annual General Meeting – Wednesday, 26 November 2014 at 11.00am at the offices of Deloitte, Level 10, 550 Bourke Street, Melbourne 3000**

Notice is given that the Annual General Meeting (AGM) of MHM Metals Limited (MHM or Company) will be held at the offices of Deloitte, Level 10, 550 Bourke Street, Melbourne VIC 3000 on Wednesday, 26 November 2014 at 11.00am.

The Explanatory Memorandum which accompanies, and forms part of, this Notice of Meeting more fully describes the matters to be considered at the Annual General Meeting.

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### Ordinary Business

#### **1 Financial Statements and Reports**

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report of MHM for the financial year ended 30 June 2014.

#### **2 Adoption of Remuneration Report**

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

*“That the Remuneration Report forming part of the Directors' Report for the financial year ended 30 June 2014 be adopted.”*

**Note:** The vote on this resolution is advisory only and does not bind the Company or its Directors. The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing MHM's remuneration policies.

#### **Voting exclusion**

The Company will not accept any votes cast on the resolution at Item 2 by or on behalf of a person who is disclosed in the Remuneration Report as one of the key management personnel of the Company (including the Directors), or a closely related party of that person (as these persons are not entitled to vote on the resolution in their own capacity) unless the vote is cast:

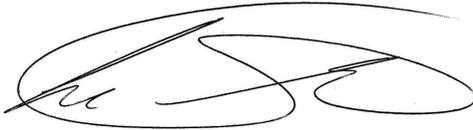
- (a) as a proxy for a person who is entitled to vote, in accordance with a direction on the accompanying proxy form; or
- (b) by the Chairman of the Meeting as a proxy for a person entitled to vote in accordance with an express authority to vote undirected proxies as the Chairman sees fit.

### **3 Election of Director (Dr David Brian Menzies)**

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

*“That Dr. David Brian Menzies, having been appointed as a non executive director subsequent to the Company’s last general meeting, and who retires in accordance with clause 15.3 of the Company’s constitution, be re-elected as a non-executive director of the Company.”*

By order of the Board

A handwritten signature in black ink, appearing to be 'Lee Mitchell', enclosed within a large, loopy oval shape.

**Lee Mitchell**  
**Company Secretary**  
**Date:** 23 October 2014

## NOTES REGARDING PROXIES AND VOTING

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### Voting entitlement

The Board has determined, in accordance with regulation 7.11.37 of the Corporations Regulations, that for the purpose of voting at the AGM, the shares held by each Shareholder will be as they appear on the Company's share register at **7.00pm AEDT on Monday 24 November 2014**. This means that if you are not the registered holder of a share at that time you will not be entitled to vote in respect of that share.

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### Voting by proxy

**IMPORTANT:** The Board recommends that shareholders vote in favour of each item of business. **The Chairman intends to vote all available undirected proxies in favour of each item of business.**

Each Shareholder who is entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on behalf of that Shareholder. The proxy may be an individual or a body corporate. A proxy need not be a Shareholder.

A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. 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, each proxy may exercise half the votes (disregarding fractions). If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.

A proxy appointment form is enclosed with this Notice of AGM. For the appointment of a proxy to be valid, the proxy form and the power of attorney or other authority (if any) under which it is signed must be received either at MHM's registered office or at the Company's share registry, Security Transfer Registrars Pty Limited, **not less than 48 hours prior to the AGM:**

**By facsimile:** +61 8 9315 2233

**By mail:** Security Transfer Registrars Pty Limited, PO Box 535, APPLECROSS, WA 6953

**By delivery:** Security Transfer Registrars Pty Limited, 770 Canning Highway, APPLECROSS, WA 6953

Your proxy appointment form is enclosed.

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### Undirected Proxies

**If you appoint the Chairman of the meeting as your proxy and do not direct the Chairman of the meeting how to vote on Item 2 (Adoption of Remuneration Report) (which you may do by marking any one of "For", "Against" or "Abstain" on the proxy form for those items of business), you will be expressly authorising the Chairman of the meeting to exercise your proxy even if those Items are directly or indirectly connected with the remuneration of a member of the KMP for MHM.**

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## Bodies corporate

A Shareholder which is a body corporate and entitled to attend and vote at the AGM, or a proxy which is a body corporate and is appointed by a Shareholder entitled to attend and vote at the AGM, may appoint an individual to act as its representative at the AGM.

If a representative of a corporate Shareholder or a corporate proxy is to attend the AGM, a certificate of appointment of the representative must be produced prior to admission to the AGM. A form of certificate of appointment can be obtained from the Company's share registry, Security Transfer Registrars Pty Limited.

## EXPLANATORY MEMORANDUM

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### Purpose of Information

The purpose of this Explanatory Memorandum (which accompanies, and forms part of, the Notice of AGM), is to provide Shareholders with an explanation of the business of the AGM and of the resolutions to be proposed and considered at the AGM at 11.00am on Wednesday, 26 November 2014 and to assist shareholders in deciding how they may wish to vote on the resolutions.

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### Summary of Business of the AGM

To receive and consider the Financial Statements and Reports for the financial year ended 30 June 2014.

To consider and vote on the following resolutions:

- Item 2: To adopt the Remuneration Report for the financial year ended 30 June 2014.
  - Item 3: To re-elect Dr David Menzies as a non-executive director of the Company.
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### Ordinary Business

#### 1 **Agenda Item 1: Financial Statements and Reports**

Pursuant to the Corporations Act, the directors of a listed company that is required to hold an Annual General Meeting must table the financial statements and reports of the company (including the Directors' report, Remuneration Report and Auditor's report) for the previous financial year before the members at that Annual General Meeting.

Shareholders have been provided with all relevant information concerning the Company's financial statements, the Directors' Report, Remuneration Report and Auditor's Report in the Annual Financial Report of the Company for the year ended 30 June 2014. The Annual Report can also be viewed, printed and downloaded from the Company's website [www.mhmmetals.com](http://www.mhmmetals.com) and copies will be available for inspection at the meeting. A copy of the financial statements, the Directors' Report, the Remuneration Report and the Auditor's Report will also be tabled at the meeting.

Shareholders should note that the sole purpose of tabling the financial statements and the relevant reports of the Company at the AGM is to provide shareholders with the opportunity to be able to ask questions or discuss matters arising from the financial statements and/or reports at the meeting. It is not the purpose of the meeting that the financial statements or the reports be accepted, rejected or modified in any way. Further, as it is not required by the Corporations Act, no resolution to adopt, receive or consider the Company's financial statements or the reports will be put to the shareholders at the meeting.

Shareholders will be given a reasonable opportunity at the meeting to ask questions and make comments on the financial statements and the reports. The Company's auditor will also be available to receive questions and comments from shareholders about the preparation and content of the financial statements and the Auditor's report and the conduct of the audit generally.

Shareholders may submit written questions to the Company's Auditor in advance of the meeting. Any such questions must be submitted to the Company by no later than 5.00pm on 19 November 2014, addressed to the Company Secretary, MHM Metal Limited, 80 Buckley Grove, Moolap, VIC, AUSTRALIA, 3221.

A reasonable opportunity will be allowed at the meeting for a representative of the Company's Auditor to answer any written questions submitted in accordance with the above procedure.

## **2 Agenda Item 2: Adoption of Remuneration Report**

### **2.1 General**

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 or the Company. Under the Corporations Act, if at least 25% of the votes cast on the resolution are voted against adoption of the Remuneration Report at the AGM, and then again at the Company's 2015 AGM, the Company will be required to put to shareholders 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 2015 Annual General Meeting. All of the Directors who were in office when the Company's 2015 Directors' report was approved, other than any 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.

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 Directors' report contained in the financial report of the Company for the period ending 30 June 2014.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

### **2.2 Voting And Proxy Restrictions**

A vote on Item 2 (Adoption of Remuneration Report) must not be cast by or on behalf of a member of the KMP or by any of their closely related parties (such as certain of their family members, dependants and companies they control).

However, this does not prevent a member of the KMP, details of whose remuneration are included in the Remuneration Report, or any of their closely related parties from voting as a

proxy for a person who is not a member of those KMP or any of their closely related parties if:

- the person specifies the way the proxy is to vote on Item 2 (Adoption of Remuneration Report) in the proxy form; or
- the person voting as a proxy is the Chairman and the proxy form expressly authorises the Chairman to exercise the proxy even if the resolution is directly or indirectly connected with the remuneration of a member of the KMP for MHM.

If you choose to appoint a proxy, you are strongly encouraged to direct your proxy how to vote on Item 2 (Adoption of Remuneration Report) by marking any one of “For”, “Against” or “Abstain” on the proxy form for that item of business. **As set out in the section on Appointing a Proxy, if you have appointed the Chairman of the meeting as your proxy and you do not mark any of ‘For’, “Against” or “Abstain” on the proxy form, you will be expressly authorising the Chairman to vote any proxies held by him in favour of Item 2 (Adoption of Remuneration Report), even if that item is connected directly or indirectly with the remuneration of a member of the KMP for MHM.**

The Chairman of the meeting intends to vote any undirected proxies held by him in favour of Item 2 (Adoption of Remuneration Report).

### **3 Agenda Item 3: Election of Director (Dr David Brian Menzies)**

On 19 December 2013 Dr Menzies was appointed as a non-executive director of the Company to fill a casual vacancy. In accordance with the ASX Listing Rules and the Company’s constitution, Dr Menzies holds office until the end of the AGM but is eligible for re-election. Dr Menzies offers himself for re-election.

Dr Menzies who has a PhD in Materials Engineering (Monash) and an MBA (Melbourne) has a background in strategy, finance, marketing and materials engineering. He started his professional career in product development consulting at Invetech before moving to Securrency International in a strategic planning followed by marketing role. He is currently the Managing Director of Platinum Road, a private corporate advisory business providing advice, corporate transaction and capital raising services to both private and listed companies.

#### **Board Recommendation**

The Directors (with Dr Menzies abstaining) unanimously recommend that Shareholders vote in favour of the resolution at Item 3.

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## **Glossary**

Unless the context requires otherwise, in the Notice of Meeting and this Explanatory Memorandum:

**AEDT means** Australian Eastern Daylight savings Time.

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

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

**ASX means** ASX Limited ACN 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX.

**Auditor's Report** means the auditor's report required to be prepared and laid before the AGM in accordance with section 317 of the Corporations Act.

**Board** means the board of Directors of MHM.

**Company** or **MHM** means MHM Metals Limited ACN 124 212 175.

**Constitution** means the constitution of the Company.

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

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

**Directors** mean the directors of the Company.

**Directors' Report** means the directors' report required to be prepared and laid before the AGM in accordance with section 317 of the Corporations Act.

**Equity Securities** has the same meaning as in the Listing Rules.

**Explanatory Memorandum** means the explanatory memorandum accompanying, and forming part of, the Notice of AGM.

**Financial Report** means the financial report required to be prepared and laid before the AGM in accordance with section 317 of the Corporations Act.

**KMP** means key management personnel, being those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director of the Company (whether executive or otherwise).

**Listing Rules** means the listing rules of ASX.

**Notice** or **Notice of Meeting** means the Notice of Meeting accompanying this Explanatory Memorandum.

**Remuneration Report** means the remuneration report required to be prepared in accordance with section 300A of the Corporations Act.

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

**Shareholder** means a shareholder in the Company.



# MHM METALS LIMITED

REGISTERED OFFICE:  
80 BUCKLEY GROVE  
MOOLAP VIC 3224



ACN: 124 212 175

« REF No. »

«HOLDER\_NAME»  
«ADDRESS\_LINE\_1»  
«ADDRESS\_LINE\_2»  
«ADDRESS\_LINE\_3»  
«ADDRESS\_LINE\_4»  
«ADDRESS\_LINE\_5»

**SHARE REGISTRY:**  
Security Transfer Registrars Pty Ltd  
**All Correspondence to:**  
PO BOX 535, APPLECROSS WA 6953  
AUSTRALIA  
770 Canning Highway, APPLECROSS WA 6153  
AUSTRALIA  
T: +61 8 9315 2333 F: +61 8 9315 2233  
E: registrar@securitytransfer.com.au  
W: www.securitytransfer.com.au

Code:

Holder Number:

## PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE  
ONLINE**

Lodge your proxy vote securely at [www.securitytransfer.com.au](http://www.securitytransfer.com.au)  
1. Log into the Investor Centre using your holding details.  
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

Online Proxy ID:

### SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting chairperson **OR**

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 11:00AM (AEDT) on Wednesday, 26 November 2014 at the offices of Deloitte, Level 10, 550 Bourke Street, Melbourne VIC 3000 and at any adjournment of that meeting.

### SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

#### RESOLUTIONS

	FOR	AGAINST	ABSTAIN*
2. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of Director (Dr David Brian Menzies)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. \* If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder	Security Holder 2	Security Holder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director & Sole Company Secretary	Director Secretary	Director/Company Secretary

Proxies must be received by Security Transfer Registrars Pty Ltd no later than 11:00AM (AEDT) on Monday, 24 November 2014.

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My/Our contact details in case of enquiries are:

Name:

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Number:

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**1. NAME AND ADDRESS**

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

**2. APPOINTMENT OF A PROXY**

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

**3. DIRECTING YOUR PROXY HOW TO VOTE**

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

**4. APPOINTMENT OF A SECOND PROXY**

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

**5. 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 must sign.

**Power of Attorney:** to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, 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, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

**6. LODGEMENT OF PROXY**

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Registrars Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

**Security Transfer Registrars Pty Ltd**

**Online** [www.securitytransfer.com.au](http://www.securitytransfer.com.au)

**Postal Address** PO BOX 535  
Applecross WA 6953 AUSTRALIA

**Street Address** Alexandria House  
Suite 1, 770 Canning Highway  
Applecross WA 6153 AUSTRALIA

**Telephone** +61 8 9315 2333

**Facsimile** +61 8 9315 2233

**Email** [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au)

**PRIVACY STATEMENT**

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

