AUSTMINEX LTD

ABN 56 005 470 799

NOTICE OF GENERAL MEETING

TIME: 10:30 AM

DATE: FRIDAY 1 JULY 2005

PLACE: 45 VENTNOR AVENUE, WEST PERTH, WESTERN AUSTRALIA 6005

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 (08) 9429 8830.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders of Austminex Ltd which this Notice of Meeting relates to will be held at 10:30 am on 1 July 2005 at:

45 Ventnor Avenue
West Perth, Western Australia 6005

YOUR VOTE IS IMPORTANT

The business of the meeting affects your shareholding and your vote is important. Please take action by voting in person (or authorised representative) or by proxy.

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 proxy form enclosed with this Notice of Meeting as soon as possible and either:

- send the proxy form by facsimile to the Company on facsimile number (08) 9429 8800 (international: +61 8 9429 8800);
- deliver the proxy form to the Company's registered office at 45 Ventnor Avenue, West Perth, Western Australia; or
- deliver the proxy form to the Company's Share Registry, Computershare Investor Services Pty Ltd, Level 2 Reserve Bank Building, 45 St Georges Terrace, Perth, Western Australia on facsimile number (08) 9323 2033 (International: +61 8 9323 2033),

so that it is received not later than 10:30 am (WST) on 29 June 2005.

Your proxy form is enclosed after the Explanatory Statement.

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of Austminex Ltd (**Austminex** or **Company**) will be held at 45 Ventnor Avenue, West Perth, Western Australia at 10:30 am WST on 1 July 2005.

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company on 29 June 2005 at 5:00pm.

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

AGENDA

1 RESOLUTION 1 – ISSUE TO HERALD AND LEVIATHAN

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 allot and issue up to:

(a) 2,425,000 Shares to Herald Resources Limited; and

(b) 6,666,667 Shares to Leviathan Resources Limited,

on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Herald Resources Limited and Leviathan Resources Limited and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the Resolution is passed and any associates of those persons.

2 RESOLUTION 2 – GENERAL RAISING

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 allot and issue up to 140,000,000 Shares at the price and otherwise on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who might participate in the proposed issue and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the Resolution is passed and any associates of those persons.

3 RESOLUTION 3 – OPTIONS ISSUE TO AZURE CAPITAL PTY LTD

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

"That, subject to the passing of Resolution 2, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to grant up to 3,000,000 Options to Azure Capital Pty Ltd on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Azure Capital Pty Ltd and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the Resolution is passed and any associates of those persons.

4 RESOLUTION 4 – CHANGE OF NAME

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

"That pursuant to Section 157(1) of the Corporations Act and for all other purposes, the name of the Company be changed to "Focus Minerals Ltd."

5 RESOLUTION 5 – RATIFICATION OF CONVERTIBLE NOTE ISSUE

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 7.4 and for all other purposes, Shareholders ratify the allotment and issue of up to 1,000,000 Convertible Notes to persons nominated by Azure Capital Pty Ltd and otherwise on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this resolution by a person who participated in the issue and any associates of that person.

6 RESOLUTION 6 – RATIFICATION OF GENERAL PRIOR ISSUE

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 6,750,000 Shares on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this resolution by a person who participated in the issue and any associates of those persons.

7 RESOLUTION 7 – RE-ELECTION OF MR PETER WILLIAMS

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

"That, for the purposes of article 13.4 of the Constitution and for all other purposes, Mr Peter Williams being eligible, be re-elected as a director of the Company."

DATED: 30 May 2005

BY ORDER OF THE BOARD

JACK TOBY
COMPANY SECRETARY

Voting Exclusion Note:

Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directors 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 bote as the proxy decides.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the General Meeting to be held at 45 Ventnor Avenue, West Perth, Western Australia on 1 July 2005 at 10:30 am (WST).

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1 OVERVIEW OF TRANSACTION

The Company recently entered into option agreements with Herald Resources Limited (**Herald**) and Leviathan Resources Limited (**Leviathan**) to acquire the Coolgardie Gold Project (**CGP**), the Three Mile Hill Gold Processing Plant and other assets owned by Herald in the same project area as amended by a letter agreement dated 18 April 2005 (**Option**).

The CGP and Austminex's nearby gold projects, will be funded by:

(a) the joint venture heads of agreement (**Joint Venture**) entered into with Matador Exploration Inc. (**Matador**); and

(b) by other funding, the specific terms of which are currently being finalised and for which Shareholder authorisation is being sought pursuant to Resolution 2 (**Transaction**).

1.1 Benefits of the Transaction

The Transaction will:

(a) bring the Company's gold inventory to approximately 1.4 million ounces in resources including 29,000 ounces of gold in reserves;

(b) enable ore to be processed on site which will greatly reduce the cost of processing and the time taken to process ore;

(c) result in the more efficient use of assets as the plant will be used at capacity. (The plant has successfully operated in the past as a toll treatment plant, and the Company considers that there may be an opportunity to carry out toll mining to operate the plant at capacity while the Company's own reserves are defined);

(d) provides the Company with a significant opportunity to define further resources within the consolidated tenement area and to expand resources which are currently limited by tenement boundaries such as Dreadnought; and

(e) make Austminex the largest land holder in the Coolgardie gold belt.

1.2 Coolgardie Gold Project

The Coolgardie Gold Project is located at Coolgardie. It comprises 95 mining licences and prospecting licences and 28 miscellaneous licences associated with the mining and milling operations, covering an area of 105.8 km^2.

Mining has been carried out within the area of the Coolgardie Gold Project since the 1880's, with about 2.5 million ounces of gold reported to have been produced from the project area. Gold inventory as at 31 December 2004 comprised 643,557 ounces in resources and 29,976 in reserves.

Mining has been carried out at a number of locations including open pit mining at Lindsays, King Solomon, Kings Cross, Brilliant, Tindals, Cookes Pit, Greenfields and Three Mill Hill, and underground mining at Cyanide, Tindals, Baileys, Bonnievale and Empress. Mining is being concluded at Empress in preparation for the Transaction.

The Three Mill Hill Processing Plant will be placed on care and maintenance in April. The plant treated 891,794 tonnes at an average grate of 2.51g/t for 66,852 ounces of gold in the financial year 2003-2004.

Austminex expects the plant to remain on care and maintenance for a period whilst its resources are brought to reserve status, to enable scheduling of ore into the mill for five (5) years. The Company may make the plant available for toll treating during this time.

1.3 Matador Exploration Inc.

The Joint Venture recently entered into with Matador, will provide funding and an expanded substantial body of technical expertise for the CGP, the Three Mile Hill Processing Plant and exploration of Austminex's existing gold assets.

Matador is a company listed on the Toronto Venture Exchange (**TVE**) for the purposes of investing in resource projects, particularly in Western Australia and South America. Matador is managed by a group of well known geologists and business men, including John Williamson, P.Geol., John Robbins, P.Geol., Sean Mager, B.Comm, Craig Bentham, LLB. and Ian Junk, BEng (Mining), who is noted for his achievements in the Goldfields region with Donegal Resources.

The group has been responsible for raising over $50,000,000 for a number of successful junior mining companies listed on the TVE, including Committee Bay Resources Limited, Indicator Minerals Inc., and Brilliant Mining Inc. These companies are exploring for precious metals and base metals in Canada, Brazil, Argentina, Australia and Botswana.

Matador has been exploring for gold in Australia since 1999 and recently increased its interest in the Jaurdi Hills Gold Project which comprises about 80 km^2 of tenements centred around 40 kilometres north of Coolgardie. In addition, Matador is funding exploration for large bulk mineable deposits in Para State, Brazil.

1.4 Terms of Option

Austminex has paid the $100,000 fee pursuant to the Option which gives Austminex a four (4) month period in which to complete the acquisition of the CGP and the Three Mile Hill Gold Processing Plant (**Acquisition**). Matador has now refunded this fee to Austminex.

If Austminex chooses to exercise the Option, the purchase price for the Acquisition will be:

(a) $4,700,000;

(b) 9,091,667 Shares (refer to Resolution 1 for further details).

These payments will be made in stages as follows:

(a) upon exercise of the Option Austminex will:

pay $250,000 and issue 2,425,000 Shares to Herald; and

pay $250,000 and issue 1,666,667 Shares to Leviathan,

(b) within six (6) months of the date of commencement of the Option, Austminex will:

(i) pay $1,750,000 to Herald;

(ii) pay $1,350,000 to Leviathan; and

(iii) issue 5,000,000 Shares to Leviathan; and

(c) within twelve (12) months of the commencement of the Option, Austminex will pay $600,000 to Herald and $500,000 to Leviathan, which will bear interest at 7% per annum from the date of exercise of the Option.

Austminex will assume responsibility for the cost of rehabilitating a defined area of waste dumps abutting Austminex's Dreadnought Project, which is currently the responsibility of Herald. The estimated cost of rehabilitation is $150,000.

The cash component of the purchase price will be reduced by the cost of any rehabilitation which remains outstanding at the time of transfer of ownership of the assets pursuant to the Option, as determined by an independent consultant.

The Option is conditional upon Austminex obtaining suitable funding within six (6) months of the execution of the Option.

1.5 Terms of Matador Joint Venture

The terms of the Joint Venture are as follows:

(a) Matador must pay the $100,000 option fees payable pursuant to the Option (this has now occurred);

(b) Matador will bear 50% of the $5.5 million acquisition costs of the CGP and the Three Mile Hill Processing Plant and acquire an initial 10% interest in the Joint Venture;

(c) the Joint Venture will include most of Austminex's current gold assets and all rights and interests in the CGP;

(d) the Joint Venture will not include any rights in the Nepean Nickel Project which is the subject of the joint venture between Austminex and

Consolidated Minerals Limited, or any rights in the Kalgoorlie Nickel Joint Venture with Sipa Exploration NL;

(e) Matador will be entitled to earn up to a 50% interest in the Joint Venture by expending $8,000,000 on exploration of the Joint Venture area within three (3) years, and must incur expenditure of at least $2,670,000 in the first twelve (12) months of the Joint Venture;

(f) Matador will be entitled to earn less than a 50% interest in the Joint Venture, in increments of 10% equity in the Joint Venture, but the equity earned will then be at a substantial discounted rate;

(g) if Matador elects not to earn its full 50% interest, Austminex will be entitled to require Matador to sell its interest in the Joint Venture to Austminex at a discounted rate which will be up to a maximum of 66% of Matador's expenditure; and

(h) the Joint Venture is conditional upon satisfactory due diligence of the assets by Matador.

2 RESOLUTION 1 – ISSUE TO HERALD AND LEVIATHAN

2.1 General

Resolution 1 seeks Shareholder approval for the allotment and issue of:

(i) 2,425,000 Shares to Herald; and

(j) 6,666,667 Shares to Leviathan,

pursuant to the Option (refer to section 1 for further details).

The effect of Resolution 1 will be to allow the Directors to issue these Shares, without using the Company's annual 15% placement capacity within 3 months of the date of Shareholder approval (pursuant to ASX Listing Rule 7.1).

Herald and Leviathan are not related parties of the Company.

2.2 Technical Information Required by ASX Listing Rule 7.3

The following information is provided in relation to the Shares to be issued to Herald pursuant to Resolution 1 in accordance with ASX Listing Rule 7.3:

(a) the maximum number of Shares to be issued to Herald is 2,425,000;

(b) the deemed issue price of the Shares to be issued to Herald is the price at which Shares are issue to Leviathan as set out in paragraph 2.2 (d) below;

(c) the Shares will be issued no later than three (3) months after the date of the General Meeting (or such later date to the extent permitted by ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;

(d) the Shares are fully paid ordinary shares in the capital of the Company and will rank equally with the Company's current issued Shares; and

(e) no funds will be raised pursuant to the issue of the Shares pursuant to Resolution 1 as the Shares are being issued as consideration pursuant to the Option (refer to section 1 for further details).

The following information is provided in relation to the Shares to be issued to Leviathan pursuant to Resolution 1 in accordance with ASX Listing Rule 7.3:

(a) the maximum number of Shares to be issued to Leviathan is 6,666,667;

(b) the deemed issue price of the Shares to be issued to Leviathan is 6 cents each;

(c) the Shares will be issued no later than three (3) months after the date of the General Meeting (or such later date to the extent permitted by ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;

(d) the Shares are fully paid ordinary shares in the capital of the Company and will rank equally with the Company's current issued Shares; and

(e) no funds will be raised pursuant to the issue of the Shares pursuant to Resolution 1 as the Shares are being issued as consideration pursuant to the Option (refer to section 1 for further details).

3 RESOLUTION 2 – GENERAL ISSUE

3.1 General

Resolution 2 seeks Shareholder approval for the allotment and issue of up to 140,000,000 Shares at an issue price being a minimum of 80% of the average market price for Shares calculated over the last 5 days on which sales were recorded either before the issue or, if a disclosure document is required, before the date the disclosure document is signed. If the capital raising is successful the Company intents to complete the acquisition of the Coolgardie Gold Project.

The effect of Resolution 2 will be to allow the Directors to issue these Shares, without using the Company's annual 15% placement capacity within 3 months of the date of Shareholder approval (pursuant to ASX Listing Rule 7.1).

3.2 Technical Information Required by ASX Listing Rule 7.3

The following information is provided in relation to the Shares to be issued pursuant to Resolution 2 in accordance with ASX Listing Rule 7.3:

(a) the maximum number of Shares to be issued is 140,000,000;

(b) the Shares will be issued at the price set out above;

(c) the Shares will be issued no later than three (3) months after the date of the General Meeting (or an extended date approved by an ASX waiver) and it is possible that the allotment will occur on different dates as Shares may be issued to persons who fall under the excluded categories of offerees in Section 708 of the Corporations Act and to retail investors under a disclosure document;

(d) the Directors will determine to whom the Shares will be issued (in conjunction with their corporate advisers) but these persons will not be Related Parties (as that term is defined in section 228 of the Corporations Act) of the Company (unless an exception in Chapter 2E of the Corporations Act applies) and, in any event, the Shares will be issued in accordance with the Listing Rules;

(e) the Shares will be fully paid ordinary shares in the capital of the Company and will rank equally with the Company's current issued Shares; and

(f) the funds raised are intended to be used as follows:

Use of Funds	**Approximate Amount**
Coolgardie Gold Project Acquisition	$2,190,000
Mount Joint Venture and Plant	$1,250,000
Current Creditors	$100,000
Mount Payments	$600,000
Buldania Payments	$40,000
Corporate & Staff	$2,000,000
Costs of Raising	$400,000
Feasibility Studies	$1,000,000
Working Capital	$700,000
Total	$8,280,000

4 RESOLUTION 3 – OPTIONS ISSUE TO AZURE CAPITAL PTY LTD

4.1 General

Resolution 3 seeks Shareholder approval for the grant of up to 3,000,000 Options to Azure Capital Pty Ltd as consideration for professional advisory services which will be provided by Azure Capital Pty Ltd (**Azure**) to the Company in relation to the Capital Raising. If the minimum subscription pursuant to the Capital Raising is not achieved no Options will be issued to Azure.

The effect of Resolution 3 will be to allow the Directors to grant these Options, without using the Company's annual 15% placement capacity within 3 months of the date of Shareholder approval (pursuant to ASX Listing Rule 7.1).

Resolution 3 is interdependent upon Resolution 2. If Resolution 2 is not passed, Resolution 3 will not be put to the Shareholders at the General Meeting.

Azure is not a related party of the Company.

4.2 Technical Information Required by ASX Listing Rule 7.3

The following information is provided in relation to the Options to be issued pursuant to Resolution 3 in accordance with ASX Listing Rule 7.3:

(a) the maximum number of Options to be granted is 3,000,000;

(b) the Options will be granted free as consideration for professional advisory services which will be provided by Azure Capital Pty Ltd to the Company in relation to the Capital Raising;

(c) the Options will be granted no later than three (3) months after the date of the General Meeting (or such later date to the extent permitted by ASX waiver or modification of the ASX Listing Rules);

(d) the terms and conditions attaching to the Options are set out below; and

(e) the Shares which will be issued upon exercise of the Options will be fully paid ordinary shares in the capital of the Company and will rank equally with the Company's current issued Shares.

4.3 Terms of Options

The material terms and conditions of the Options will be as follows:

(a) each Option entitles the holder to subscribe for one (1) fully paid ordinary share in the capital of the Company;

(b) Options are exercisable before 5.00pm (WST) on 31 July 2008 (**Expiry Date**);

(c) the exercise price of each Option is that price being a 20% premium to the issue price of the Shares under Resolution 2;

(d) the Options are transferable;

(e) the Options will not be listed for quotation on ASX;

(f) all the Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then issued Shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of the Options;

(g) there are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 business days after the issue is announced. This will give optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue;

(h) the holders of the Option has the right to a change in the exercise price of the Option in the event that the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, whereby the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2;

(i) in the event of a bonus issue to the holders of the Shares the number of securities over which a Option is exercisable may be increased by the number of securities which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue; and

(j) if at any time the issued capital of the Company is reconstructed, all rights of an optionholder are to be changed in a manner consistent with the ASX Listing Rules.

5 RESOLUTION 4 – CHANGE OF NAME

The new name proposed to be adopted under Resolution 4 is "Focus Minerals Ltd". The Directors believe that this new name more accurately reflects the proposed future operations of the Company.

6 RESOLUTION 5 – RATIFICATION OF CONVERTIBLE NOTE ISSUE

6.1 General

The Company issued 800,000 Convertible Notes to the parties set out below on 20 May 2005. By the time this General Meeting is held the Company will have issued up to a further 200,000 Convertible Notes to the clients of Azure Capital Pty Ltd. Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of these Convertible Notes.

The full terms of the Convertible Notes are set out in Schedule 1. A summary of the terms of the Convertible Notes is as follows:

(a) the face value of the Convertible Notes is $1.00;

(b) the Convertible Notes will:

  (i) automatically convert upon the completion of the capital raising pursuant to Resolution 2;

  (ii) be converted on the dates specified in the Convertible Notes at the election of the noteholder;

  (iii) convert at the election of the noteholder on an event of default, a change in the control of the Company or a takeover event;

  (iv) be redeemed if not converted prior to 31 December 2006;

  (v) be redeemed at the election of the noteholder on an event of default, a change of control of the Company or a takeover event; and

(c) interest is payable on the principal annually at a rate of 10% per annum.

By ratifying the issue of the Convertible Notes, the Company will retain the flexibility to issue equity securities, including the Shares to be issue pursuant to the conversion of the Convertible Notes, in the future up to the 15% threshold set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

6.2 Technical Information Required by ASX Listing Rule 7.5

The following information is provided in relation to the Convertible Notes issued pursuant to Resolution 5 in accordance with ASX Listing Rule 7.5:

(a) 800,000 Convertible Notes were issued on 20 May 2005;

(b) up to a further 200,000 Convertible Notes will have been issued prior to the date of the General Meeting to clients of Azure Capital Pty Ltd who's names will be announced to the market as soon as the Convertible Notes are issued. None of these Convertible Notes will be issued to related parties of the Company;

(c) the Convertible Notes were or will be issued at $1.00 each;

(d) the full terms of the Convertible Note are set out in Schedule 1;

(e) 800,000 Convertible Notes were issued to the persons as follows who are not related parties of the Company:

Investing Entity	**Amount**
Zap Nominees Pty Ltd	80,000
Duncraig Investment Services Pty Ltd	25,000
Julian Grill & Lesley Faye Grill	25,000
Baring Nominees Pty Ltd	10,000
FFT Pty Ltd	5,000
Mulloway Pty Ltd	20,000
Baracus Pty Ltd	100,000
Raign Pty Ltd	50,000
Lifestyle Holdings Pty Ltd	25,000
Mr Andrew Murray Whyte &	25,000
Davington Ppty Ltd	25,000
Chester Pty Ltd	10,000
Mr Victor Michael Parin &	25,000
JFT (WA) Pty Ltd	25,000
Inswinger Holdings Pty Ltd	20,000
Ocean View WA Pty Ltd	20,000
Mr Ian Jason Spence	10,000
Europa Investment Services Ltd	20,000
Foundation Superannuation Pty Ltd	25,000
Foster West Securities Pty Ltd	10,000
Flue Holdings Pty Ltd	20,000
Pontil Pty Ltd	25,000
Broadarrow Goldmines Pty Ltd	200,000
Total	800,000

(f) the funds raised from the issue of the Convertible Notes are intended to be used for working capital purposes including professional and corporate advisory fees for the purposes of the transaction set out in this Notice, ongoing listing and administration expenses, exploration activities and payments for the Mount Prospect; and

(g) upon conversion of all of the Convertible Notes, Shares will be issued based on the formula set out in Schedule 1. The Shares will rank equally with the Company's then issued Shares.

7 RESOLUTION 6 – RATIFICATION OF GENERAL PRIOR ISSUE

7.1 General

On 21 February 2005, 6,750,000 Shares were issued to a number of subscribers as detailed below. Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of these Shares.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% threshold set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

7.2 Technical information required by ASX Listing Rule 7.5

The following information is provided in relation to the Shares issued pursuant to Resolution 6 in accordance with ASX Listing Rule 7.5:

(a) the 6,750,000 Shares were allotted and issued as follows:

William Brooks ATF Brooks Family Super Fund	1,250,000
Wong Chi Wai Roy	750,000
Wong Chi Wat Foo	1,000,000
William Henry Hearnstadt	1,250,000
122 Dean St Pty Ltd	2,500,000

(b) the Shares were allotted and issued on 21 February 2005;

(c) the issue price of each of the Shares was 8 cents;

(d) the Shares issued were all fully paid ordinary shares in the capital of the Company and rank equally with the Company's issued Shares; and

(e) the funds raised by the issue of Shares pursuant to Resolution 6 have been used for working capital purposes, exploration activities and payments for the Mount Prospect.

8 RESOLUTION 7 – RE-ELECTION OF MR PETER WILLIAMS

Article 13.4 of the Constitution provides that where the directors of the Company appoint another person as a director, then that person only holds office until the next general meeting of the Company, at which time, that person is eligible for re-election by the Shareholders.

Mr Williams was appointed as a non-executive director of the Company by the Board on 6 December 2004.

Pursuant to article 13.4 of the Constitution, Resolution 7 seeks the re-election of Mr Williams by Shareholders.

Mr Williams has had a very successful career in the mining industry spanning more than thirty years. He has lived in many remote parts of Australia including Meekathara, Tom Price, Dampier, Wickham and Kalgoorlie. Mr Williams has held senior management positions both in Australia and overseas where he has mined copper, iron ore, salt, gold and mineral sands. His extensive experience managing large mining operations (both FIFO and residential) and dealing with their associated workforces, contractors and unions has given him a background which the Board considers will be of great value to the Company.

GLOSSARY

Acquisition has the meaning given in section 1 of the Explanatory Statement.

ASIC means the Australian Securities and Investments Commission.

ASX means the Australian Stock Exchange Limited.

ASX Listing Rule means a Listing Rule of the ASX.

Board means the board of directors of the Company.

Capital Raising means the proposed issue of up to 140,000,000 Shares pursuant to Resolution 2.

CGP has the meaning given in section 1 of the Explanatory Statement.

Company or Austminex means Austminex Ltd (ABN 56 005 470 799).

Constitution means the constitution of the Company as at the date of the General Meeting.

Convertible Notes means the convertible notes to be issued pursuant to Resolution 5.

Explanatory Statement means this Explanatory Statement.

General Meeting means the general meeting convened by this Notice.

Herald has the meaning given in section 1 of the Explanatory Statement.

Joint Venture has the meaning given in section 1 of the Explanatory Statement.

Leviathan has the meaning given in section 1 of the Explanatory Statement.

Matador has the meaning given in section 1 of the Explanatory Statement.

Notice means this Notice of Meeting.

Option means an option to acquire a Share on the terms set out in section 4.3 of the Explanatory Statement.

Schedule means a Schedule of this Notice and Explanatory Statement.

Share means a fully paid ordinary Share of the Company.

Transaction has the meaning given in section 1 of the Explanatory Statement.

SCHEDULE 1 CONVERTIBLE NOTE TERMS

THIS CONVERTIBLE NOTE is made the day of 2005

PARTIES:

AUSTMINEX LTD (ACN 005 470 799) of 45 Ventnor Avenue, West Perth, Western Australia (**Company**);

AND

THE NOTEHOLDER SET OUT IN THE SCHEDULE (**Noteholder**).

The Parties agree:

1. The Noteholder subscribes for and, upon payment of the Principal in the amount set out in the Schedule (as defined in the attached Conditions), the Company agrees to issue to the Noteholder that number of convertible notes on the terms set out in the attached Conditions (Convertible Notes).

2. On the date of this Agreement, the Noteholder will deliver to the Company the Principal in cleared funds.

3. Subject to the Noteholder complying with its obligations under this Agreement, the Company will, on the date of this Agreement:

   (a) issue the Convertible Notes to the Noteholder; and

   (b) cause to be executed a certificate in favour of the Noteholder in the form set out in Schedule 3 to the Conditions in respect of the Convertible Notes.

4. This Agreement will be governed by and construed in accordance with the laws of Western Australia and the Parties agree to submit to the non-exclusive jurisdiction of the courts of Western Australia.

SCHEDULE

1. Name and Address of Noteholder:

2. Amount of Principal:

3. Number of Convertible Notes:

EXECUTED by the Parties as an agreement.

EXECUTED BY)
)
)
in accordance with the Corporations Act:)

Signature of director	Signature of secretary/other director
Name of director	Name of secretary/other director in full

EXECUTED BY)
AUSTMINEX LTD)
ACN 005 470 799)
in accordance with the Corporations Act:)

Signature of director	Signature of secretary/other director
Name of director	Name of secretary/other director in full

CONVERTIBLE NOTE

CONDITIONS OF ISSUE

1. THE NOTE ISSUE

1.2 TERMS

The Convertible Notes:

(a) each have a face value representing a principal amount of $1.00 (**Face Value**);

(b) bear interest as set out in clause 2;

(c) are convertible, as provided in clauses 4.1(a), 4.1(b), 5(3)(i)and 7.2(a) into Shares; and

(d) will, where not converted into Shares, be redeemed in accordance with clause 3.

1.3 CONVERTIBLE NOTES ARE UNLISTED AND NON VOTING

The Company will not list the Convertible Notes for quotation on ASX and the Convertible Notes shall not provide for any voting rights at meetings of shareholders of the Company.

2. INTEREST

2.1 INTEREST RATE

(a) The Convertible Notes shall bear interest at the rate of 10% per annum on the Principal from the date of issue of the Convertible Note until the earlier of:

(i) the Redemption Date;

(ii) the date of the Convertible Note is converted into Shares in its entirety in accordance with clause 4.1; and

(iii) the Maturity Date.

(b) Interest on the Convertible Notes will accrue from day to day and be payable in arrears on 31 March, 30 June, 30 September and 31 December (**Interest Payment Dates**).

(c) Interest will be paid no later than 10 Business Days after the relevant Interest Payment Date.

2.2 PAYMENT FOLLOWING CONVERSION

If the Convertible Notes are converted into Shares on any date other than the Conversion Dates, then the interest payable by the Company will be calculated on a pro-rata basis and must be paid by the Company on the date of conversion of the Convertible Notes into Shares.

3. REDEMPTION

3.1 WHEN REDEMPTION WILL OCCUR

A Convertible Note will be redeemed on the first to occur of the following:

(a) the date which is 10 Business Days after the receipt by the Company of a Redemption Notice pursuant to clause 5.(e)(ii) or 7.2(b) (**Redemption Date**); or

(b) if the Convertible Note has not been converted to Shares prior to the Maturity Date, the Maturity Date.

3.2 PROCESS FOR REDEMPTION

Upon the Redemption Date or the Maturity Date, whichever is the earlier, the Company will deliver to the Noteholder a cheque in favour of the Noteholder or its nominee, for the Redemption Amount and the interest payable pursuant to clause 2.10 which will be calculated on a pro-rata basis.

3.3 REDEMPTION OF THE NOTE

The Noteholder will only be entitled to issue a Redemption Notice pursuant to an exercise of its rights under clause 5(e)(ii) or clause 7.2(b) and only in respect of all of the Notes.

4. CONVERSION

4.1 WHEN CONVERSION WILL OCCUR

(a) If the Capital Raising is completed then on the date of allotment of the Shares under the Capital Raising (**Automatic Conversion Date**) all of the Convertible Notes held by the Noteholder shall automatically convert into Shares with no further action required by the Noteholder.

(b) All or a portion of the Convertible Notes may be converted into Shares by delivering a Conversion Notice to the Company prior to 5.00pm on the Conversion Dates.

(c) The Notes may also be converted into Shares pursuant to clauses 5(e)(i) and 7.2(a)

4.2 PROCESS FOR CONVERSION

(a) Within 10 Business Days after the Automatic Conversion Date or the receipt of the Conversion Notice, the Company will proceed to issue and allot to the Noteholder that number of Shares as calculated in accordance with clause 4.3 and deliver a holding statement.

(b) The issue and allotment of Shares on conversion pursuant to this clause will be and be deemed for all purposes to be in full satisfaction and discharge of the principal amount owing to the Noteholder pursuant to the Convertible Notes so converted.

(c) The Shares issued and allotted upon the conversion pursuant to this clause will rank equally in all respects with all issued ordinary shares in the capital of the Company at the Date of Conversion.

(d) If only a portion of the Convertible Notes held by the Noteholder are converted, the Company will, within 10 Business Days of the issue and allotment of Shares to a Noteholder upon the conversion pursuant to this clause, deliver to the Noteholder a new Note Certificate detailing the reduced number of Convertible Notes held by the Noteholder.

4.3 CONVERSION RATE

(a) The number of Shares to which a Noteholder will be entitled on conversion pursuant to clause 4.1(a) will be determined in accordance with the following formula:

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Where:

N = the number of Shares to be issued and allotted to the Noteholder (rounded down to the nearest whole figure);

B = an amount equal to the aggregate Face Value of the Convertible Notes which are to be converted; and

IP = the lesser of, the price which is 10% less than the issue price of the Shares to be issued pursuant to the Capital Raising or 5.5 cents.

(b) The number of Shares to which a Noteholder will be entitled on delivery to the Company of a Conversion Notice pursuant to clauses 4.1(b), 5(e)(i)and 7.2(a) will be determined in accordance with the following formula:

Error! Objects cannot be created from editing field codes.

Where:

N = the number of Shares to be issued and allotted to the Noteholder (rounded down to the nearest whole figure);

B = an amount equal to the aggregate Face Value of the Convertible Notes which are the subject of the Conversion Notice; and

IP = the lesser of, the price which is 15% less than the volume weighted average price of Shares traded on ASX in the 15 Business Days prior to the receipt of the Conversion Notice by the Company or 5.5 cents.

4.4 RECONSTRUCTION

(a) If there is a reconstruction (including, consolidation, subdivision, reduction or return) of the issued capital of the Company, the basis for conversion of the Convertible Notes set out in the Conversion Formulas will be reconstructed in the same proportion as the issued capital of the Company is reconstructed and in a manner which will not result in any additional benefits being conferred on the Noteholder which are not conferred on the shareholders of the Company, (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the reconstruction of capital) but in all other respects the terms for conversion of the Notes will remain unchanged.

(b) The adjustments in this clause 4.4 will, subject to the ASX Listing Rules, be determined by the Company.

5. TAKEOVER, CHANGE IN CONTROL, OR SALE OF MAIN UNDERTAKING

If:

(a) a takeover bid (as defined in the Corporations Act) is made for 50% or more of the Shares and that bidder is successful in obtaining a relevant interest in 50% or more of the Shares; or

(b) there is a change in control of 50% or more of the Shares; or

(c) there is a sale of the main undertaking of the Company that would require approval of the ordinary shareholders of the Company in accordance with Listing Rule 11.2,

at any time after the issue of the Convertible Notes and prior to the issue of a Conversion Notice in respect of such Convertible Notes, then:

(d) the Company will give to each Noteholder written notice (a **Sale Notice**) of the takeover bid, change of control, or sale of main business undertaking within 5 Business Days of receiving notice of it; and

(e) the Noteholder may elect within 15 Business Days after the Sale Notice is sent to Noteholders to either:

(i) convert all the Convertible Notes held by that Noteholder to Shares by issuing a Conversion Notice to the Company; or

(ii) redeem all the Convertible Notes held by that Noteholder by issuing a Redemption Notice to the Company.

(f) If no election is made under clause 5(e), within the time period specified in that clause, then the terms and conditions of this Agreement as to conversion and redemption will continue to apply.

5. REGISTRATION OF TRANSFERS

6.1 TRANSFER

The Noteholder may, following written consent from the Company, transfer all or any of the Convertible Notes that it holds by an instrument in writing in the form set out in Schedule 2 or in any other form that the directors of the Company approve.

6.2 TRANSFER FORM

In relation to all transfers of Convertible Notes the transfer form must be:

(a) lodged at the Specified Office together with payment of any stamp duty, taxes or other governmental charges payable thereon; and

(b) accompanied by such evidence as the Company may require to prove the title and identity of the transferor and the transferee, the right of entitlement of the transferee to receive a transfer of the relevant Convertible Note, the due execution of the transfer form and the due compliance and observance with all applicable laws and regulations of the Commonwealth of Australia and each State and Territory thereof.

6.3 RECORDING TRANSFERS

The Company will promptly upon being satisfied with the transfer form, the information lodged therewith, the identity of the transferor and the transferee and the due compliance with such reasonable regulations as the Company may determine from time to time, accept the application contained in the transfer form by making an inscription in the Register recording the transfer of the relevant Convertible Note.

7 EVENTS OF DEFAULT

7.1 EVENTS

Each of the following events is an Event of Default:

(a) (**default in payment**) if the Company makes default in the payment of any Outstanding Moneys;

(b) (**unremedied breach**) if the Company commits a breach of a covenant, condition or obligation imposed on it this Agreement and that breach has not been remedied within 14 days of receiving notice of the breach from the Noteholder requiring that breach to be remedied;

(c) (**winding up**) if an order is made or a resolution is effectively passed for the winding up of the Company except for the purposes of a reconstruction or amalgamation with the prior written consent of the Noteholder (such consent not to be unreasonably withheld); or

(d) (**liquidation**) if the Company enters liquidation.

7.2 ACTION UPON AN EVENT OF DEFAULT

The Noteholder will be entitled where an Event of Default has occurred:

(a) to issue a Conversion Notice to the Company to convert the Notes to Shares; or

(b) to issue a Redemption Notice to the Company and redeem the Notes; and

(c) to commence proceedings for the winding up of the Company or take such other action relating to enforcement of payment of Outstanding Moneys to the Noteholder (including without limitation issuing Redemption Notices requiring the Company to redeem the Convertible Notes).

8 DEFINITIONS AND INTERPRETATION

8.1 DEFINITIONS

Agreement means the convertible note agreement to which these Conditions form a schedule.

ASX means Australian Stock Exchange Limited.

ASX Listing Rules means the Official ASX Listing Rules of ASX from time to time with any modification or waivers in their application to the Company which ASX may grant.

Business Day means a day on which banks are open for general banking business in Perth, other than a Saturday or a Sunday or public holiday and which is also a Business Day for the purposes of the ASX Listing Rules.

Capital Raising means the raising of not less than $2 million by the Company before 31 August 2005 or another date agreed by the Parties in writing.

Conditions means these terms and conditions applicable to the Convertible Notes.

Conversion Dates means 31 July 2005 and every 30 September, 31 December, 31 March and 30 June thereafter until the Maturity Date.

Conversions Formulae means the formulae set out in clause 4.3.

Conversion Notice means the form of the notice set out in Schedule 1.

Corporations Act means the Corporations Act 2001 (Cth).

Date of Conversion means the date on which Shares are issued and allotted to the Noteholder pursuant to the conversion of Convertible Notes.

Event of Default means each of the events set out in clause 7.1.

Maturity Date means 31 December 2006.

Note means Convertible Note.

Outstanding Moneys means the Principal Amount Outstanding under or in respect of the Convertible Notes.

Parties means the Noteholder and the Company.

Principal means the amount set out on page 1 as "Principal".

Principal Amount Outstanding means the Principal outstanding from time to time under the Convertible Notes.

Redemption Amount means the face value of the Notes and the subject of the Redemption Notice.

Redemption Date has the meaning given in clause 3.1(a).

Redemption Notice means a notice in writing from the Noteholder informing the

Company the Noteholder wishes to redeem all of its Convertible Notes.

Register means a register of holders of Convertible Notes.

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

Specified Office means the registered office of the Company or such other office advised by the Company to the Noteholder from time to time.

SCHEDULE 1 - CONVERSION NOTICE

To: **AUSTMINEX LTD** (ACN 005 470 799)

The Noteholder elects to convert the Note into Shares in the Company in accordance with the conditions of issue of the Note (**Conditions**):

1. Name and address of Shareholder to be entered into the register in respect of the Shares issued:

2. Name and address to which statements of shareholdings should be sent:

Enclosed with this notice is the Certificate for the Note to be converted.

Dated:

____

SIGNED for and on behalf of
the Noteholder

SCHEDULE 2 - TRANSFER NOTICE

To: **AUSTMINEX LTD** (ACN 005 470 799)

[*Insert Name*] (**Seller**), being the registered holder of the Note, has agreed to sell the Note to **[*Insert Name*]** (**Purchaser**).

The Purchaser agrees with the Company, to be bound by the conditions of issue of the Note (**Conditions**).

The details of the Purchaser to be entered in the Register are as follows:

[*Insert*]

Enclosed with this notice is the Certificate for the Note to be transferred.

Dated:

____

SIGNED for and on behalf of the Seller.

____

SIGNED for and on behalf of the Purchaser.

Annexure 3 - Form of Note Certificate

CONVERTIBLE NOTE CERTIFICATE

Certificate Number: [ ]

AUSTMINEX LTD
ACN 005 470 799

(**Company**)

Convertible Note

THIS IS TO CERTIFY that [*Insert*] (**Noteholder**) is the registered holder of the Notes specified below which was issued on [*Insert*].

The Note confers on the Noteholder the rights, power and privileges and shall be subject to the terms and conditions as set out in the convertible note agreement dated [*Insert*] and executed between the Company and the Noteholder (**Agreement**). By its subscription for or purchase of a Convertible Note, the registered holder is taken to have agreed to be bound by the Agreement and the Conditions attached to the Agreement.

Principal Sum Outstanding: $[*Insert*]

Number of Convertible Notes: [*Insert*]

DATED:

EXECUTED BY)
AUSTMINEX LTD)
ACN 005 470 799)
in accordance with the Corporations Act:)

____
Director

____
Director/Secretary

PROXY FORM

AUSTMINEX LTD
ABN 56 005 470 799

GENERAL MEETING

I/We ______________________

being a Member of Austminex Ltd entitled to attend and vote at the Meeting, hereby

Appoint ______________________

Name of proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the General Meeting to be held at 10:30 am on 1 July 2005 at 45 Ventnor Avenue, West Perth, Western Australia and at any adjournment thereof. If no directions are given, the Chairman will vote in favour of all of the resolutions.

Voting on Business of the General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Issue to Herald and Leviathan	☐	☐	☐
Resolution 2	General Raising	☐	☐	☐
Resolution 3	Options Issue to Azure Capital Pty Ltd	☐	☐	☐
Resolution 4	Change of Name	☐	☐	☐
Resolution 5	Ratification of Convertible Note Issue	☐	☐	☐
Resolution 6	Ratification of General Prior Issue	☐	☐	☐
Resolution 7	Re-Election of Mr Peter Williams	☐	☐	☐

If you do **not** wish to direct your proxy how to vote, please place a mark in this box ☐

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of the interest. The Chairman will vote in favour of all of the resolutions if no directions are given.

YOU MUST EITHER MARK THE BOXES DIRECTING YOUR PROXY HOW TO VOTE OR MARK THE BOX INDICATING THAT YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE, OTHERWISE THIS APPOINTMENT OF PROXY FORM WILL BE DISREGARDED.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

Signed this   day of   2005

By:

Individuals and joint holders	**Companies** (**affix common seal if appropriate**)
Signature	Director
Signature	Director/Company Secretary
Signature	Sole Director and Sole Company Secretary

AUSTMINEX LTD
ABN 56 005 470 799

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.

2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.

3. Corporate shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

   - directors of the company;
   - a director and a company secretary of the company; or
   - for a proprietary company that has a sole director who is also the sole company secretary – that director.

   For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. 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. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.

6. To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Meeting as soon as possible and either:

   - send the proxy form by facsimile to the Company on facsimile number (08) 9429 8800 (international: +61 8 9429 8800);
   - deliver the proxy form to the Company's registered office at 45 Ventnor Avenue, West Perth, Western Australia; or
   - deliver the proxy form to the Company's Share Registry, Computershare Investor Services Pty Ltd, Level 2 Reserve Bank Building, 45 St Georges Terrace, Perth, Western Australia on facsimile number (08) 9323 2033 (International: +61 8 9323 2033),

   so that it is received not later than 10:30 am (WST) on 29 June 2005.