



Metal Bank Limited
(ACN 127 297 170)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Time: 11.00 am

Date: 10 May 2016

Place: RSM Bird Cameron, Level 12, 60 Castlereagh Street Sydney NSW

This Notice of General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

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1 Time and Place of Meeting

The Extraordinary General Meeting of the Shareholders to which this Notice relates will be held at 11.00am (AEST) on Tuesday, 10 May 2016 at the offices of RSM Bird Cameron, Level 12, 60 Castlereagh Street Sydney NSW.

2 How to Vote

The business of the Extraordinary General Meeting affects your Shareholding and your vote is important.

3 Voting in Person

To vote in person, attend the General Meeting on the date and at the place set out above. A body corporate member may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of the Company's Shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution. The Company requires written proof of the representative's appointment to be lodged with, or presented to, the Company before the meeting.

4 Voting by Proxy

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

Please note that:

- (a) A Shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of the Shareholder;
- (b) Where the Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise;
- (c) If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholders votes each proxy may exercise half of the votes. Any fractions of votes brought about by the apportionment of a proxy will be disregarded;
- (d) A proxy need not be a Shareholder;
- (e) Any instrument of proxy deposited or received at the registered office of the Company in which the name of the appointee is not filled in, will be deemed to be given in favour of the chairman of the Meeting;
- (f) If you do not mark a box, your proxy may vote as they choose on that item.
- (g) If the Chairman of the meeting is your proxy (or he becomes your proxy by default), and you do not complete any of the boxes 'for', 'against' or 'abstain' opposite the items for resolutions, you will be expressly authorising the Chairman to exercise the proxy as the Chairman sees fit, including to exercise your proxy in relation to any item connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company. The Chairman intends to vote all undirected and available proxies in favour of each item of business, subject to any voting exclusions that apply to

the proxy (as described below). Shareholders will be informed of the proxy position at the meeting.

- (h) Any instrument of proxy deposited or received at the registered office of the Company in which the name of the appointee is not filled in, will be deemed to be given in favour of the Chairman of the Meeting;
- (i) Completed proxy forms (together with any authority under which the proxy was signed or a certified copy of the authority) must be returned before 7pm on 6 May 2016 in one of the following 3 ways:

- By mail to : Metal Bank Limited
GPO Box 128
Queen Victoria Building NSW 1230 Australia
- By facsimile: Metal Bank Limited
+61 (0)2 8262 8699
- By email: info@metalbank.com.au

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

5 Questions

At the meeting, the Chairman will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the matters the subject of the meeting. Shareholders may direct questions prior to the meeting to Chairman using the addresses for proxies set out in item 4 above.

6 Majority Required

Resolutions 1 – 3 inclusive are ordinary resolutions and will be passed if more than 50% of the votes cast by Shareholders entitled to vote on the Resolutions are cast in favour of the Resolutions.

7 Notice of Extraordinary General Meeting

Notice is given that a General Meeting of Shareholders of Metal Bank Limited (**Metal Bank** or **Company**) will be held at 11.00am (AEST) on 10 May 2016 at the offices of RSM Bird Cameron, Level 12, 60 Castlereagh Street Sydney NSW.

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 of the Company have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 7pm (AEST) on 6 May 2016.

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

AGENDA

Resolutions

1 Resolution 1 – Ratification of prior issue of 25,000,000 Shares

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 25,000,000 Shares to a sophisticated investor on the terms and conditions set out in the Explanatory Statement.”

2 Resolution 2 – Approval of issue of 25,000,000 Shares to a related party

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

“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 25,000,000 ordinary shares to Berne No 132 Nominees Pty Ltd <600835>, in which Ms Inés Scotland, the Chair of the Company has a relevant interest.”

3 Resolution 3 – Approval of issue of up to 75,000,000 Shares

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 75,000,000 ordinary shares to Amethyst Australia Pty Ltd ATF Amethyst Trust, or its nominees, as underwriter of the Company’s Share Purchase Plan announced on 30 March 2016.”

VOTING EXCLUSION STATEMENTS

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on the Resolutions by the following persons:

RESOLUTION	PERSONS EXCLUDED FROM VOTING
1. Ratification of prior issue of 25,000,000 Shares	• Any person who participated in the proposed issue; and • Any of their respective Associates.
2. Approval to issue 25,000,000 Shares to a related party	A vote in respect of Resolution 2 must not be cast (in any capacity) by or on behalf of any of the following persons: • The Chair, Ms Inés Scotland and any person who may participate in the proposed issue; • Any person who might obtain a benefit (other than a benefit solely in the capacity of a holder of ordinary shares) if the Resolution is passed; and • Any of their respective Associates.
3. Approval to issue up to 75,000,000 Shares	• Any person who participated in the proposed issue; and • Any of their respective Associates.

The Chair will vote undirected proxies in favour of the Resolutions.

Dated 7 April 2016

BY ORDER OF THE BOARD



Sue-Ann Higgins
Company Secretary

4 EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Extraordinary General Meeting to be held at 11.00am (AEST) on 10 May 2016 at the offices of RSM Bird Cameron, Level 12, 60 Castlereagh Street Sydney NSW.

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

The Directors recommend that shareholders read this Explanatory Statement in full in conjunction with the accompanying Notice of Extraordinary General Meeting of which this Explanatory Statement forms a part.

Resolution 1 – Ratification of Prior Issue of 25,000,000 Shares

1.1 Background

On 30 March 2016 the Company made a placement of 25,000,000 shares to a sophisticated investor, which were issued within the 15% capacity permitted under ASX Listing Rule 7.1. Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 of the issue of these shares.

1.2 ASX Listing Rule Requirements

ASX Listing Rule 7.1 permits a company to issue securities representing no more than 15% of the issued capital of that company in any 12 month period without shareholder approval. The Company issued 25,000,000 shares to a sophisticated investor on 30 March 2016 within the 15% capacity permitted under ASX Listing Rule 7.1.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual capacity set out in ASX Listing Rule 7.1.

1.3 ASX Listing Rule Disclosure Requirements

The following information is provided in accordance with ASX Listing Rule 7.5

- (a) *The number of securities issued*
25,000,000 Shares were issued.
- (b) *The price at which the securities were issued*
The Shares were issued at a price of \$0.004 per Share.
- (c) *The terms of the securities*

The Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

- (d) *The names of the persons to whom the entity issued the securities or the basis on which those persons were determined*

The issue was made to a nominee entity of a sophisticated investor and were not made to any related party of the Company.

- (e) *The use or intended use of the funds raised*

The funds raised will be used to fund the Company's exploration programs, project generation and review of other resource opportunities and working capital requirements.

- (f) *Voting Exclusion*

A voting exclusion statement forms part of this Notice.

1.4 Recommendation of Directors

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

Resolution 2 – Approval to issue 25,000,000 Shares to a related party

2.1 Background

Resolution 2 seeks Shareholder approval for the issue of 25,000,000 Shares to Berne No 132 Nominees Pty Ltd <600835> on behalf of Indigo Pearl Capital Ltd (**Indigo**).

The Chair of the Company, Ms Inés Scotland, holds a relevant interest in shares held by Indigo by operation of s608(2) of the Corporations Act 2001 (Cth) (**the Act**), and accordingly, the issue of shares to Indigo is subject to and conditional upon shareholder approval.

As announced to ASX on 24 March 2016, the Company entered into agreements with sophisticated investors for the placement of 50 million shares at a price of \$0.004, representing a discount to the last traded share price of \$0.006 on 24 March of 33.3% (**Placement**), being the last day shares traded prior to the announcement of the Placement on 30 March 2016. Indigo was one of these investors, subscribing for 25,000,000 Shares, for a total consideration of \$100,000.

Indigo is currently the beneficial holder of 46,785,647 ordinary shares in the Company, representing 12.84% of the issued share capital of the Company. In the event that shareholder approval is obtained for Resolution 2, Indigo's total holding will increase to 71,785,647 representing 17.33% of the issued share capital of the Company following the issue of the Placement shares and reducing to 14.67% of the issued share capital assuming all 75,000,000 shares offered in the company's Share Purchase Plan announced on 30 March 2016 are issued.

2.2 ASX Listing Rule Requirements

ASX Listing Rule 10.11 provides, in summary, that a listed company must not, subject to specified exceptions, issue equity securities to a related party without the approval of holders of ordinary securities.

A director of a listed company and any entity controlled by the director are included in the definition of a related party.

2.3 Information required by Listing Rule 10.13

- (g) *Names of the persons to whom the entity will issue the securities*
The Shares will be issued to Berne No 132 Nominees Pty Ltd <600835>.
- (h) *The maximum number of securities the entity is to issue*
25,000,000 Shares.
- (i) *The date by which the entity will issue the securities*
Subject to Shareholder approval, the Shares will be issued no later than one month after the date of the Meeting.
- (j) *The relationship between Indigo and Ms Scotland*
As settlor and beneficiary of the trust which is the ultimate beneficial holder of the shares held by Indigo, Ms Scotland holds a relevant interest in such shares by operation of s608(2) of the Act.
- (k) *Issue price of securities*
The Shares will be issued at \$0.004, being the same price as all other Shares issued under the Placement.
- (l) *Terms of the securities*
The Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (m) *The use or intended use of the funds raised*
The funds raised will be used to fund the Company's exploration programs, project generation and review of other resource opportunities and working capital requirements.
- (n) *Voting Exclusion*
A voting exclusion statement forms part of this Notice.

2.4 Recommendation of Directors

The Directors (with the Chair, Ms Inés Scotland abstaining) recommend that Shareholders vote in favour of Resolution 2, as the placement will provide the Company with necessary funds to enable it to continue with its exploration program and additional funding to meet the Company's working capital requirements.

Resolution 3 – Approval to issue up to 75,000,000 Shares

3.1 Background

Resolution 3 seeks Shareholder approval for the issue of up to 75,000,000 Shares to Amethyst Australia Pty Ltd ACN 158 203 224 ATF Amethyst Trust or its nominees (the **Underwriter**), as underwriter of the Company's Share Purchase Plan announced on 30 March 2016 (**Plan**).

The Company has offered Eligible Shareholders the opportunity to participate in the Plan offering a total of 75,000,000 shares at \$0.004 per share (**New Shares**) to raise a total amount of \$300,000 (**Offer Amount**).

The Underwriter has agreed to underwrite the Offer made under the Share Purchase Plan up to the Offer Amount.

In the event that Eligible Shareholders do not subscribe for New Shares under the Plan to the Offer Amount, then the resultant shortfall up to the Offer Amount will, subject to the terms of the underwriting agreement, be placed to the Underwriter or to sub underwriters nominated by the Underwriter, none of whom will be related parties of the Company.

No underwriting fee is payable to the Underwriter, however the Company has agreed to reimburse the Underwriters costs in relation to the underwriting and the Plan to a maximum amount of \$3,000. The Underwriting Agreement contains customary conditions, warranties and undertakings and is subject to various termination events exercisable by the Underwriter.

In the event that no New Shares are subscribed for by Eligible Shareholders under the Plan and the Underwriter takes placement of 75,000,000 New Shares without nomination of any sub underwriters, then the Underwriter's interest in the total issued share capital of the Company, assuming Resolution 2 is approved, will be 15.33%.

3.2 ASX Listing Rule Requirements

ASX Listing Rule 7.1 provides, in summary, that a listed company must not, subject to specified exceptions, issue equity securities in any 12 month period which, when aggregated with the equity securities issued by a company during the previous 12 months, will exceed 15% of the total number of fully paid ordinary shares on issue in the company at the beginning of the 12 month period, except with the prior approval of shareholders.

Resolution 3 seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of up to 75,000,000 Shares to the Underwriter. The effect of such approval is that any such Shares will not be counted as reducing the number of equity securities which the Company can issue without Shareholder approval under the limit imposed by ASX Listing Rule 7.1.

3.3 Information required by Listing Rule 7.3

The following information is provided in accordance with ASX Listing Rule 7.3

(a) The maximum number of securities the entity is to issue

The maximum number of Shares to be issued is 75,000,000 Shares.

(b) The date by which the entity will issue the securities

Subject to Shareholder approval, the Shares will be issued no later than three months after the date of the Meeting.

(c) Issue price of securities

The Shares will be issued at \$0.004 per share, being the price of New Shares under the Plan.

(d) Terms of the securities

The Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

- (e) *Names of the persons to whom the entity will issue the securities (if known) or the basis on which those persons will be identified or selected*

The names of the allottees of the Shares are currently unknown but will be sophisticated or professional investors who are not related parties of the Company nominated by the Underwriter in accordance with the terms of the Underwriting Agreement.

- (f) *The intended use of the funds raised*

The funds raised will be used to fund the Company's exploration programs, project generation and review of other resource opportunities and working capital requirements.

- (g) *The issue date or a statement that the issue will occur progressively*

The issue will be made on the date of issue of New Shares under the Plan, which as at the date of this Notice of Meeting is scheduled to be 11 May 2016 (subject to change in accordance with the terms of the Plan).

- (h) *Voting Exclusion*

A voting exclusion statement forms part of this Notice.

3.4 Recommendation of Directors

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

4. Glossary

In this Explanatory Statement and Notice of General Meeting:

ASIC means Australian Securities and Investments Commission.

Associates has the meaning given by Sections 10 to 17 of the Corporations Act.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

Board means board of directors of the Company.

Business Day means a day (not being a Saturday or Sunday) on which Australian banks (as defined in section 9 of the Corporations Act) are open for general banking business in the capital city of the State.

Company, MBK or Metal Bank means Metal Bank Limited (ACN 127 297 170).

Constitution means the Constitution of the Company.

Corporations Act means *Corporations Act 2001* (Cth)

Directors means the directors of the Company.

EST means Eastern Standard Time, in Sydney, New South Wales.

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

General Meeting or Meeting means the meeting convened by the Notice.

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

Notice or Notice of Meeting or Notice of General Meeting means the notice of extraordinary general meeting including the Explanatory Statement and the Proxy Form.

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

Resolutions mean the resolutions set out in the Notice of Meeting, or any one of them as the context requires.

Share or Shares means fully paid ordinary share or shares in the capital of the Company.

Shareholder means a holder of a Share.

State means the State of New South Wales in the Commonwealth of Australia.

VWAP means the volume weighted average price of the Shares for a specified time period during which the Shares were traded on the ASX.

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'x') should advise your broker of any changes.

Form of Proxy

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

 **PLEASE NOTE:** This proxy is solicited on behalf of the management of Metal Bank Limited ACN 127 297 170 (the "Company") for use at the meeting of the shareholders of the Company to be held at the offices of RSM Bird Cameron, Level 12, 60 Castlereagh Street, Sydney, NSW 2000 on 10 May 2016 at 11:00pm (AEDT) or any adjournment thereof (the "Meeting").

I/We being a member/s of Metal Bank Limited hereby appoint

the Chairman
of the meeting

OR



PLEASE NOTE: If you leave the section blank, the Chairman of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) is named, the Chairman 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 at the Meeting and at any adjournment of that meeting.

If you have not appointed the Chairman of the Meeting as your proxy and you are appointing a second proxy please complete the following: Proxy 1 is appointed to represent _____% of my voting right and Proxy 2 is appointed to represent _____% of my total votes. My total voting right is _____ shares.

 **PLEASE NOTE:** If the appointment does not specify the proportion or number of votes that the proxy may exercise, each proxy may exercise half the votes.

STEP 2 Items of Business



PLEASE NOTE: 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 your votes will not be counted in computing the required majority on that item.

If you wish to indicate how your proxy is to vote, please tick the appropriate places below.

FOR **AGAINST** **ABSTAIN**

Resolution 1: Ratification of prior issue of 25,000,000 Shares	☐	☐	☐
Resolution 2: Approval of issue of 25,000,000 Shares to a related party	☐	☐	☐
Resolution 3: Approval of issue of up to 75,000,000 Shares	☐	☐	☐

If no choice is specified, the shareholder is conferring discretionary authority on the proxy to vote at his or her discretion. The Chairman of the Meeting intends to vote FOR each of the resolutions.

SIGN

Signing by member

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

Individual or Member 1

Sole Director/Sole Secretary

Member 2 (if joint holding)

Director/Company Secretary

Member 3 (if joint holding)

Director

/ /

Date

Lodge your vote:



By Mail:

Metal Bank Limited
GPO Box 128
Queen Victoria Building
NSW 1230 Australia

Alternatively you can fax your form to
+61 (0)2 8262 8699

Email your form to
info@metalbank.com.au

For all enquiries call:

Telephone: +61 2 9078 7666

Proxy Form

Instructions

1. Every shareholder has the right to appoint some other person or company of their choice, who need not be a shareholder, to attend and act on their behalf at the meeting. If you wish to appoint a person or company other than the Chairman, please insert the name of your proxyholder(s) in the space provided (see reverse).
2. If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc), then all those registered should sign this proxy. If you are voting on behalf of a corporation or another individual you may be required to provide documentation evidencing your power to sign this proxy with signing capacity stated.
3. This proxy should be signed in the exact manner as the name that appears on the proxy.
4. If a shareholder appoints two proxies, each proxy may be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
5. 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.
6. To be effective, proxies must be delivered by shareholders as follows:
Shareholders must send their proxies prior to 7pm on 6 May 2016 (AEDT) by mail to GPO Box 128, Queen Victoria Building, NSW 1230 Australia, by facsimile at +61 (0)2 8262 8699, or by email to info@metalbank.com.au.
7. For the purposes of Regulation 7.11.37 of the Corporations Regulations the Company determines that shareholders holding shares at 7pm on 6 May 2016 (AEDT) be entitled to attend and vote at the Meeting.
8. The Chairman intends to vote in favour of all resolutions set out in the Notice of Meeting.
9. This proxy confers discretionary authority in respect of amendments to matters identified in the Notice of Meeting or other matters that may properly come before the Meeting.
10. This proxy should be read in conjunction with the accompanying documentation provided by management of the Company.
11. The shares represented by this proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any poll that may be called for, and if the shareholder has specified a choice in respect of any matter to be acted upon, the shares will be voted accordingly.

Turn over to complete the form →



CHECK OUT OUR WEBSITE at
www.advancedshare.com.au

- Check all holdings by using HIN/SRN
- Update your holding details
- Reprint various documents online