
MINERAL COMMODITIES LIMITED

ACN 008 478 653

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11.00 am (WST)

DATE: Tuesday, 31 May 2011

PLACE: BDO Kendalls, Ground Floor
38 Station Street, Subiaco WA 6008

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 (+61 8) 9287 4604.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11.00 am (WST) on Tuesday, 31 May 2011 at:

BDO Kendalls, Ground Floor, 38 Station Street, Subiaco WA 6008

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

CORPORATE REPRESENTATIVES

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements in section 250D of the Corporations Act 2001. The representative should bring to the AGM evidence of his or her appointment as the body corporate's representative, including any authority under which the appointment is signed. Unless the appointment states otherwise, the representative may exercise on the body corporate's behalf all of the powers that the appointing body could exercise at a meeting or in voting on a resolution. Shareholders can download and fill out the 'Appointment of Corporate Representation' form from the website of the share registry of the Company – www.linkmarketservices.com.au

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to the Company's share registry, Link Services Limited at Locked Bag A14 Sydney, South NSW 1235, or deliver to Link Services Limited at Level 12, 680 George Street, Sydney NSW 2000 or
- (b) Facsimile to the Company's share registry, Link Services Limited on facsimile number (+61 2) 9287 0309.

so that it is received not later than 11.00 am (WST) on 29 May 2011.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 11.00 am (WST) on Tuesday, 31 May 2011 at BDO Kendalls, Ground Floor, 38 Station Street, Subiaco WA 6008.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual 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 Annual General Meeting are those who are registered Shareholders of the Company at 11.00 am (WST) on 29 May 2011.

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

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2010 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 31 December 2010."

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MARK CARUSO

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

"That, for the purposes of Clause 35(c) of the Constitution and for all other purposes, Mark Caruso retires by rotation, and being eligible, is re-elected as a Director."

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE - SHARES

To consider and, if thought fit, to pass, with or without amendment, 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 10,000,000 Shares on the terms and conditions set out 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 of their associates.

DATED: 23 APRIL 2011

BY ORDER OF THE BOARD

A handwritten signature in blue ink, appearing to read 'Peter Torre', with a long horizontal flourish extending to the right.

**PETER TORRE
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 directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 11.00am (WST) on Tuesday, 31 May 2011 at BDO Kendalls, Ground Floor, 38 Station Street, Subiaco WA 6008.

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. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2010 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report. Shareholders can view the Annual Report, which contains the Financial Report for the year ended 31 December 2010, on the Company's website - www.mncom.com.au

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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.

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 annual financial report of the Company for the financial year ending 31 December 2010.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

3. RESOLUTIONS 2 AND 3 – RE-ELECTION OF DIRECTORS

3.1 Rotation

Clause 35(c) of the Constitution requires that at the Annual General Meeting of the Company, one third of the Directors for the time being shall retire from office. A retiring Director is eligible for re-election.

Mark Caruso retires by rotation in accordance with clause 35(c) of the Constitution and being eligible, seeks re-election.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE - SHARES

Background

4.1 General

On 4 March 2011, the Company completed a placement of 10,000,000 Shares to M & G Investment Management Limited to raise \$1,200,000.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Share Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

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 ASX 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 placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Ratification:

- (a) 10,000,000 Shares were allotted;
- (b) the issue price was \$0.12 per Share;
- (c) the Shares issued were all 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 Shares were allotted and issued to M&G Investment Management Limited who is not a related party of the Company; and

the funds raised from this issue (\$1,200,000) will be used to further expedite the development on the Company's Tormin Mineral Sands Project in South Africa and will provide additional working capital to investigate other opportunities with the global resource sector.

5. ENQUIRIES

Shareholders are requested to contact the Company Secretary on (+ 61 8) 9287 4604 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

Annual General Meeting means the meeting convened by the Notice of Meeting.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Days means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means Mineral Commodities Limited ACN 008 478 653.

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

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

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

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

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

Shareholder means a holder of a Share.

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