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**ENTERPRISE METALS LIMITED**

**ACN 123 567 073**

**NOTICE OF ANNUAL GENERAL MEETING**

**EXPLANATORY STATEMENT AND**

**PROXY FORM**

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**TIME:** 2 pm (WST)

**DATE:** Thursday 21 November 2013

**PLACE:** The Celtic Club,  
48 Ord Street,  
West Perth, Western Australia

***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) 9436 9200.***

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## **TIME AND PLACE OF MEETING AND HOW TO VOTE**

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### **VENUE**

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The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 2 pm (WST) on Thursday 21 November 2013 at:

The Celtic Club,  
48 Ord Street,  
West Perth, Western Australia

### **YOUR VOTE IS IMPORTANT**

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

### **VOTING IN PERSON**

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

### **VOTING BY PROXY**

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

- (a) post to Enterprise Metals Limited, PO Box 992, West Perth WA 6872; or
- (b) facsimile to the Company on facsimile number +61 8 9436 9220.

so that it is received not later than 2 pm (WST) on Tuesday 19 November 2013.

**Proxy Forms received later than this time will be invalid.**

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders will be held at 2 pm (WST) on Thursday 21 November 2013 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

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 5.00 pm (WST) on Tuesday 19 November 2013.

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

### AGENDA

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#### 1. ANNUAL FINANCIAL REPORT

To receive and consider the financial report of the Company together with the reports of the directors and the auditor for the financial year ended 30 June 2013.

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#### 2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

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

*“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the remuneration report for the financial year ended 30 June 2013 be adopted”.*

**Short Explanation:** The Remuneration Report is in the Directors' Report section of the Company's Annual Report. Listed companies are required to put the Remuneration Report to the vote for adoption at the Company's Annual General Meeting. The vote on this resolution is advisory only and does not bind the Directors or the Company.

Shareholders' attention is drawn to the fact that due to current market conditions the Board decided in April 2013 to reduce the fees for Non-executive directors by 60% and at the same time reduce the Managing Director's salary package by 40%.

**Voting Prohibition Statement:** A vote on this resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report;
- (b) a closely related party of such a member.

However any of those persons may cast a vote on the resolution if:

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) the vote is not cast on behalf of a person described in paragraphs (a) or (b) above.

If you appoint the Chairman of the Meeting as your proxy, the Company encourages you to direct the Chairman how to vote on this advisory Resolution. The Chairman, as one of the Key Management Personnel of the Company, is not permitted to cast any votes in respect of this advisory Resolution that arise from undirected proxies held unless the proxy expressly authorises the Chairman to do so.

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**3. RESOLUTION 2 – ELECTION OF MR PAUL HALLAM AS A DIRECTOR**

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

*“That, Mr Paul Hallam, a director of the Company who retires in accordance with clause 16.4 of the Company’s constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company”.*

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**4. RESOLUTION 3 – ELECTION OF DR ALLAN TRENCH AS A DIRECTOR**

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

*“That, Dr Allan Trench, a director of the Company who retires in accordance with clause 16.4 of the Company’s constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company”.*

**DATED: 17 OCTOBER 2013**

**BY ORDER OF THE BOARD**

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**DAMIAN DELANEY  
COMPANY SECRETARY**

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## EXPLANATORY STATEMENT

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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 2 pm (WST) on Thursday 21 November 2013 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

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 Meeting.

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### 1. ANNUAL FINANCIAL REPORT

Section 317 of the Corporations Act requires the reports of the Directors and of the auditors and the Annual Financial Report, including the financial statements, to be put before the Annual General Meeting and the Constitution provides for those reports and statements to be received and considered at the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the reports or statements. However, Shareholders will be given the opportunity to raise questions on the reports and the statements at the Annual General Meeting.

The Company's 2013 Annual Report is available at [www.enterprisemetals.com.au](http://www.enterprisemetals.com.au). Those shareholders that elected to receive a printed copy of the Annual Report will have received a copy with this Notice of Annual General Meeting.

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### 2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

The Remuneration Report is in the Directors Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives named in the Remuneration Report for the financial year ended 30 June 2013.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.

Shareholders are requested to note that due to current market conditions the Board decided in April 2013 to reduce the fees for Non-executive directors by 60% and at the same time reduce the Managing Director's salary package by 40%.

The Chairman will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution that a further meeting is held, at which all of the Company's Directors (other than the Managing Director) must go up for re-election. Voting on this resolution will be determined by a poll at the meeting rather than a show of hands.

At the Company's 2012 AGM, less than 25% of the votes cast opposed the adoption of the Remuneration Report.



## Undirected proxies

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chairman with an express authorisation to vote the proxy in accordance with the Chairman's intention.

Any undirected proxies held by any other Key Management Personnel or any of their Closely Related Parties will not be voted on this resolution.

Key management personnel of the Company has the same meaning as set out in the accounting standards and includes the Directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's key management personnel for the financial year to 30 June 2013. Their closely related parties are defined in the Corporations Act, and include certain members of their family, dependents and companies they control.

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### 3. RESOLUTION 2 – ELECTION OF MR PAUL HALLAM AS A DIRECTOR

Listing Rule 14.4 and Clause 16.4 of the Constitution provide that a re-election of Directors must be held at each annual general meeting. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement. Mr Paul Hallam retires from office in accordance with these requirements and being eligible, offers himself for re-election by shareholders as a director of the Company, with effect from the end of the meeting.

Mr Hallam is a qualified mining engineer with a BE (Hons) Mining from Melbourne University, a Certificate of Mineral Economics from Curtin University and a Company Director's Diploma from the Australian Institute of Company Directors. Mr Hallam has over 35 years' technical and managerial experience in major Australian and international resource companies. His former roles include Director Operations for Fortescue Metals Group Ltd, Executive General Manager Development & Projects for Newcrest Mining Ltd, Director Victorian Operations for Alcoa and Executive General Manager Base and Precious Metals for North Limited. Mr Hallam has also undertaken mine management/development roles for Battle Mountain Gold Company in Chile, Bolivia and Australia, and for Newmont in Australia. Mr Hallam is a Fellow of both the Australian Institute of Company Directors and the Australasian Institute of Mining & Metallurgy.

The Board unanimously recommends that shareholders vote in favour of the re-election of Mr Hallam as a director.

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### 4. RESOLUTION 3 – ELECTION OF DR ALLAN TRENCH AS A DIRECTOR

Listing Rule 14.4 and Clause 16.4 of the Constitution provides that an election of directors must be held at each annual general meeting. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement. Dr Allan Trench retires from office in accordance with these requirements and being eligible, offers himself for re-election by shareholders as a director of the Company, with effect from the end of the meeting.

Dr Allan Trench is a mineral economist, geophysicist and business management consultant with a BSc (Hons) Geology from the Royal School of Mines, London, a Ph.D (Geophysics) from Glasgow University, an MBA (Distinction) from Oxford University and an MSc (Distinction) in Mineral Economics from the WA School of Mines (WASM). Dr Trench's former roles include management of nickel and gold/base metal exploration teams in the Yilgarn region of WA, initially for WMC and subsequently for a group of junior ASX listed companies. From 2002 Dr Trench worked as a business consultant for McKinsey and Company, then as a manager at KCGM Pty Ltd and Woodside Petroleum, and more lately as a consultant with CRU Group, providing business analysis and intelligence on the global mining and metals markets. Dr Trench is currently Adjunct Professor (Spatial Sciences) at WASM, Curtin University; Research Professor, Progressive Risk and

Value, Centre for Exploration Targeting, University of Western Australia; and Professor, Department of Energy & Mineral Economics, Curtin University Graduate School of Business. Dr Trench is also a non-executive independent director of a number of emerging overseas and Australian-listed resources companies.

The Board unanimously recommends that shareholders vote in favour of the re-election of Dr Trench as a director.

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## GLOSSARY

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\$ means Australian dollars.

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

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

**ASX** means ASX Limited.

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

**Board** means the current board of Directors of the Company.

**Business Day** 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 Enterprise Metals Limited (ACN 123 567 073).

**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.

**Remuneration Report** means the remuneration report in the Directors' Report section of the Company's Annual Report.

**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.

ENTERPRISE METALS LIMITED

ACN 123 567 073

PROXY FORM

The Company Secretary  
Enterprise Metals Limited  
PO Box 992  
West Perth WA 6872

Ph (+61 8) 9436 9200/Fax (+61 8) 9436 9220

ANNUAL GENERAL MEETING

I/We

[Empty box for name]

being a member(s) of Enterprise Metals Limited and entitled to attend and vote at the Annual General Meeting, hereby

Appoint

[Empty box for name of proxy]

Name of proxy

OR

Mark this box if you wish to appoint the Chair of the Annual General Meeting as your proxy

or failing the person/body corporate so named or, if no person/body corporate is named, the Chair of the Annual General Meeting, or the Chair's nominee, 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 2pm (WST), on 21 November 2013 at The Celtic Club, 48 Ord Street, West Perth, Western Australia, and at any adjournment thereof.

Important for Resolution 1:

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 1. If the Chairman of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolution 1, you will be authorising the Chairman to vote in accordance with the Chairman's voting intentions on Resolution 1 even if Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

If you appoint a proxy, the Company encourages you to direct your proxy how to vote on each item of business.

The Chair of the Meeting intends to vote all undirected proxies, which the Chairman is entitled to vote, in favour of each item of business.

Voting on Business of the General Meeting

- Resolution 1 – Adoption of the Remuneration Report
- Resolution 2 – Election of Mr Paul Hallam as a director
- Resolution 3 – Election of Dr Allan Trench as a director

FOR	AGAINST	ABSTAIN
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

If two proxies are being appointed, the proportion of voting rights this proxy represents is

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013 \_\_\_\_\_ %

By: Individuals and joint holders Companies (affix common seal if appropriate)

Signature [Empty box]

Director [Empty box]

Signature [Empty box]

Director/Company Secretary [Empty box]

Signature [Empty box]

Sole Director and Sole Company Secretary [Empty box]

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**ENTERPRISE METALS LIMITED**  
**ACN 123 567 073**

**Instructions for Completing Proxy Form**

1. A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a shareholder of the Company.

2. If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting, please write the full name of that individual or body corporate in the space provided. If you leave both the box and this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the Company. A proxy may be an individual or a body corporate.

Under recent changes to the Corporations Act, if your appointment of a proxy specifies the way the proxy is to vote on a particular resolution and your appointed proxy is not the Chairman of the meeting and at the meeting a poll is duly demanded on the question that the resolution be passed, then if either your proxy is not recorded as attending the meeting (if a record of attendance is made) or your proxy does not vote on the resolution, the Chairman is taken, before voting on the resolution closes, to have been appointed as your proxy for the purposes of voting on the resolution at that meeting.

3. You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction, unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate place. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Under recent changes to the Corporations Act, if you direct your proxy how to vote on a particular resolution, the proxy need not vote on a show of hands but if the proxy does so, the proxy must vote as directed. If the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands. If the proxy is the Chairman, the proxy must vote on a poll, and must vote as directed and if the proxy is not the Chairman, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote as directed.

If any member of the Key Management Personnel of the Company, other than the Chairman of the Meeting, or a Closely Related Party of a member of the Key Management Personnel is your nominated proxy and you have not directed the proxy how to vote on Resolution 1 (Remuneration Report), that person will not cast any votes on Resolution 1.

4. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.
5. Where a Proxy Form of a corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.
6. Corporate members 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:

- 2 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.

7. Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
8. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Enterprise Metals Limited, PO Box 992, West Perth WA 6872; or
  - (b) facsimile to the Company on facsimile number +61 8 9436 9220so that it is received not later than 2 pm (WST) on 19 November 2013.

**Proxy forms received later than this time will be invalid.**