

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2016 Annual General Meeting of shareholders of Neometals Ltd ABN 89 099 116 631 (**Company**) will be held at the **Celtic Club, 48 Ord Street, West Perth**, on **Thursday, 24 November 2016 at 3:00pm** Western Standard Time for the purpose of transacting the following business.

An Explanatory Statement and Proxy Form accompany, and form part of, this Notice. Information relevant to the proposed resolutions set out below, including information required by the ASX Listing Rules and the Corporations Act 2001 (Cth), can be found in the Explanatory Statement.

BUSINESS

1. Annual Report for year ended 30 June 2016

To receive the Annual Report of the Company for the period ended 30 June 2016 which includes the Financial Report of the Company, the Directors' Report, the Remuneration Report and the Report of the Auditor, Deloitte. During the consideration of these items, shareholders are invited to ask questions or make comments on:

- the Financial Report of the Company for the period ended 30 June 2016;
- the Directors' Report in relation to that period; and
- the Report of the Auditor on the Financial Report.

A representative of the Company's Auditor is anticipated to be in attendance to respond to any questions raised of the Auditor or on the Auditor's Report in accordance with the terms of section 250T of the Corporations Act.

2. Election of Directors

To consider and, if thought fit, to pass, respectively as separate and independent ordinary resolutions each of the following:

Resolution 1

"THAT David Reed, who will retire as a Director by rotation in accordance with the Company's Constitution and the ASX Listing Rules, and being eligible, offers himself for re-election as a Director, be re-elected as a Director of the Company."

Resolution 2

"THAT Natalia Streltsova, who having been appointed as a Director since the Company's last annual general meeting, retires as a Director in accordance with the Company's Constitution and the ASX Listing Rules, and being eligible, offers herself for re-election as a Director, be re-elected as a Director of the Company."

Resolution 3

"THAT Douglas Ritchie, who having been appointed as a Director since the Company's last annual general meeting, retires as a Director in accordance with the Company's Constitution and the ASX Listing Rules, and being eligible, offers himself for re-election as a Director, be re-elected as a Director of the Company."

3. Adoption of Remuneration Report

To consider and, if thought fit, to pass the following as a non-binding resolution:

Resolution 4

"THAT, for the purposes of section 250R(2) of the Corporations Act 2001 (Cth), the Remuneration Report for the year ended 30 June 2016 be adopted."

The Remuneration Report is set out in the 2016 Annual Report. Please note that, in accordance with section 250R(3) of the *Corporations Act 2001* (Cth), the vote on this resolution is advisory only, and does not bind the Directors or the Company.

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution:

- (a) by or on behalf of a member of the KMP as disclosed in the Remuneration Report;
- (b) by or on behalf of a Closely Related Party (such as close family members and any controlled companies) of a member of the KMP; or
- (c) as a proxy by a member of the KMP or their Closely Related Parties,

unless the vote is cast as proxy for a person entitled to vote in accordance with a direction on the proxy form or by the Chairman pursuant to an express authorisation to exercise the proxy.

4. Other Business

In compliance with section 250S(1) of the *Corporations Act 2001* (Cth), shareholders are invited to ask questions about or make comments on the management of the Company and to raise any other business which may lawfully be brought before the meeting.

BY ORDER OF THE BOARD

Jason Carone
Company Secretary
Date: 21 October 2016

EXPLANATORY STATEMENT

THIS EXPLANATORY STATEMENT accompanies and forms part of the Notice convening the 2016 Annual General Meeting of shareholders of Neometals Ltd ABN 89 099 116 631 (**Company**) to be held at the **Celtic Club, 48 Ord Street, West Perth, Western Australia**, on **Thursday, 24 November 2016** at **3:00pm** Western Standard Time.

This Explanatory Statement is to provide shareholders with explanatory notes and information relevant to the Annual General Meeting and its business. It comprises of a Part A and a Part B. This Explanatory Statement should be read in conjunction with the accompanying Notice.

PART A: VOTING

1. Definitions

In this Notice and Explanatory Statement:

AASB means the Australian Accounting Standards Board.

Annual General Meeting means the annual general meeting notified to the shareholders by the Notice.

ASX means ASX Limited, or the Australian Securities Exchange, as the context requires.

Board means the board of Directors of the Company.

Closely Related Party has the meaning given in section 9 of the Corporations Act, and includes close family members and any controlled companies of a member of the KMP.

Company means Neometals Ltd ABN 89 099 116 631.

Constitution means the constitution of the Company.

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

Director means a director of the Company.

Explanatory Statement means this explanatory statement incorporated in this Notice.

Key Management Personnel or KMP means the Company's key management personnel as defined in AASB Standard 124.

Listing Rules means the Listing Rules from time to time of the ASX.

Notice means the notice of annual general meeting incorporating this Explanatory Statement.

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

2. Required Majority

- (a) In accordance with the Corporations Act, for the resolutions to be effective:
- (i) the resolutions must be passed at a meeting of which not less than 28 days written notice specifying the intention to propose the resolutions has been given (satisfied by this Notice); and
 - (ii) in the case of ordinary resolutions, must be passed by more than 50% of all the votes cast by shareholders present and entitled to vote on the resolutions (whether in person or by proxy, attorney or representative); and
 - (iii) in the case of special resolutions, must be passed by not less than 75% of all the votes cast by shareholders present and entitled to vote on the resolutions (whether in person or by proxy, attorney or representative).

- (b) On a show of hands every shareholder has one vote and, on a poll, every shareholder has one vote for each share held.

3. Entitlement to Vote

The Company has determined that, for the purposes of the Corporations Act, the persons eligible to attend and vote at the Annual General Meeting are those persons who are registered shareholders of the Company at 4:00pm Western Standard Time on Tuesday, 22 November 2016.

4. Proxies

- (a) Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
- (b) A proxy need not be a shareholder of the Company.
- (c) The proxy form sent with this Notice should be used for this Annual General Meeting.
- (d) Each shareholder who is entitled to cast 2 or more votes at this Annual General Meeting may appoint up to 2 persons to act as proxies and may specify the proportion or number of votes that each proxy is entitled to exercise. If a shareholder does not specify the proportion or number of that shareholder's votes that each proxy may exercise, then each proxy will be entitled to exercise half of that shareholder's votes. An additional proxy form will be supplied by the Company on request. No shareholder may appoint more than 2 proxies.
- (e) In the case of a shareholder who is an individual, a proxy form must be executed under the hand of the individual or his or her attorney duly authorised in writing and, in the case of a member that is a corporation, a proxy form must be executed by the corporation under common seal, pursuant to section 127 of the Corporations Act or under the hand of its duly authorised officer or attorney.
- (f) Any shareholder may by power of attorney appoint an attorney to act on his or her behalf and such power of attorney or certified copy thereof must be received by the Company as specified in paragraph (k).
- (g) Any corporation which is a shareholder of the Company may appoint a representative to attend and vote for that corporation at the Annual General Meeting. Appointments of representatives by corporations must be received by the Company as specified in paragraph (k) or handed in at the Annual General Meeting when registering as a company representative.
- (h) Any directed proxies that are not voted on a poll at the Annual General Meeting by a shareholder's appointed proxy will automatically default to the Chairman of the Annual General Meeting, who is required to vote proxies as directed on a poll.
- (i) Members of the KMP (which includes each of the Directors) will not be able to vote as proxy on Resolution 4 unless the shareholder tells them how to vote or, in the case of the Chairman of the Annual General Meeting, unless the shareholder expressly authorises him to do so. If a shareholder intends to appoint a member of the KMP (other than the Chairman) as their proxy, the shareholder should ensure that they direct the member of the KMP how to vote on Resolutions 4.
- (j) If a shareholder intends to appoint the Chairman of the Annual General Meeting as their proxy for Resolution 4, shareholders can direct the Chairman how to vote by marking one of the boxes for Resolution 4 (for example, if the shareholder wishes to vote 'for', 'against' or to 'abstain' from voting). If a shareholder does not direct the Chairman how to vote, then by submitting the proxy form, the shareholder will be

expressly authorising the Chairman to exercise the proxy in respect of Resolution 4 even though it is connected to the remuneration of members of the KMP.

- (k) Proxy forms (including any instruments under which they have been executed) and powers of attorney granted by shareholders must be received by the Company by 3:00pm Western Standard Time on Tuesday, 22 November 2016:

At the Company's share registry:

- (i) by post to the share registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001; or
- (ii) by facsimile to the share registry – 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or

At the Company's registered office:

- (iii) by hand delivery to the registered office – Level 1, 672 Murray Street, West Perth, Western Australia;
- (iv) by post to the registered office – Locked Bag 8, West Perth WA 6872; or
- (v) by facsimile to the registered office – facsimile number +61 8 9321 0556; or
- (vi) by email – cosec@neometals.com.au.

Online

Alternatively, shareholders can register their proxy voting instructions online at www.investorvote.com.au by 3:00pm Western Standard Time on Tuesday, 22 November 2016. Please refer to the enclosed proxy form for more information about submitting proxy voting instructions online.

Custodians and nominees are able to vote online at www.intermediaryonline.com.

PART B: EXPLANATORY NOTES

5. Election of Directors

Resolution 1 – Election of David Reed

As required by the Company's Constitution and the ASX Listing Rules, Mr David Reed retires as a Director by rotation, and, being eligible, offers himself for re-election.

Information in respect of David Reed is set out below:

David Reed

David Reed is a Fellow of CPA Australia with over 43 years' experience in stock broking and corporate management. From 1985 to 1997 Mr Reed was chairman of stock-broking firm Eyres Reed Ltd until its sale to CIBC World Markets in 1997 at which time he became Chairman of CIBC Australia, a position he held until 2003. Mr Reed has served as chairman of several ASX listed mineral exploration companies and served as Chairman of the Company since incorporation in 2001 to 27 November 2015. Mr. Reed is a former chairman of the fund raising committee for the Australian Prospectors and Miners Hall of Fame and secretary of the Amalgamated Prospectors and Leaseholders Association and was a co-founder of the Diggers and Dealers Forum in Kalgoorlie. Mr. Reed received an Order of Australia Medal in 2002 for his service to the community.

Mr Reed is not considered to be an Independent Director due to his substantial shareholding in the Company.

Resolutions 2 and 3 – Election of Natalia Streltsova and Douglas Ritchie

Ms Natalia Streltsova and Mr Douglas Ritchie were appointed as Directors on 14 April 2016. In accordance with the Company's Constitution and the ASX Listing Rules, Ms Natalia Streltsova and Mr Douglas Ritchie, retire as a Director, and, being eligible, offer themselves for re-election.

Information in respect of Natalia Streltsova and Douglas Ritchie is set out below:

Natalia Streltsova

Dr Natalia Streltsova is a PhD qualified chemical engineer with over 25 years' experience in the minerals industry and an extensive background in mineral processing and hydrometallurgy across a range of commodities relevant to the Company. Her previous roles have included Director of Technical Development at Vale (formerly CVRD), Development Manager at GRD Minproc and senior technical roles at BHP Billiton and WMC Resources that involved considerable interaction with operations to identify and implement innovative projects to increase production and reduce costs. Dr Streltsova has considerable international experience in technical and business development capacities, in South America, Africa and the Former Soviet Union and is currently a Non-Executive Director of Potash West NL.

Dr Streltsova is an Independent Director.

Douglas Ritchie

Doug Ritchie is a senior resources industry executive with over 35 years' experience, including over 28 years working with Rio Tinto in various senior management roles including CEO Rio Tinto Energy Australia and most recently the Group Executive of Strategy based in the UK. Mr Ritchie has considerable international corporate experience, including in China, and is currently a Non-Executive Director of diversified mining company Arrium Limited and former Chairman of Uniquist, the University of Queensland's commercialisation company.

Mr Ritchie is an Independent Director.

Recommendation of Directors

The Directors, after considering the recommendations of the Nominations Committee, recommend that shareholders vote in favour of Resolutions 1, 2 and 3. Neither David Reed, Natalia Streltsova nor Douglas Ritchie make any recommendation in relation to their own re-election.

The Chairman intends to vote all available proxies in favour of Resolutions 1, 2 and 3.

6. Adoption of Remuneration Report

Resolution 4 – Adoption of Remuneration Report

The Remuneration Report for the financial year ended 30 June 2016 is set out in the 2016 Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for all Directors and certain other executives.

Section 250R(2) of the Corporations Act requires the Annual General Meeting to include a vote on the adoption of the Remuneration Report. Pursuant to section 250R(3) of the Corporations Act, the vote on the resolution is advisory only and does not bind the Directors or the Company. However, the Directors take the discussion at the meeting and the outcome of the vote into account when considering the Company's remuneration practices.

Section 250SA of the Corporations Act requires that a reasonable opportunity be allowed to shareholders at the Annual General Meeting to ask questions about, or make comments on, the Remuneration Report.

If at least 25% of the votes cast on Resolution 4 are voted against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put to shareholders at the second annual general meeting a resolution proposing that another general meeting be held within 90 days, at which all of the Company's Directors (other than the Managing Director) would go up for re-election.

The Directors encourage all shareholders to vote on Resolution 4.

The Chairman intends to vote all available proxies in favour of Resolution 4.

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Neometals

ABN 89 099 116 631

NMT

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:

  **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your vote to be effective it must be received by 3:00pm (WST) Tuesday, 22 November 2016**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

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.



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IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Neometals Ltd hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate 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 (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Neometals Ltd to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday, 24 November 2016 at 3:00pm (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolution: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 4 (except where I/we have indicated a different voting intention below) even though Resolution 4 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 4 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Re-election of Director - David Reed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director - Natalia Streltsova	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director - Douglas Ritchie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /