

# NOTICE OF ANNUAL GENERAL MEETING



This document constitutes the Notice of Meeting for the 2011 Annual General Meeting of Advanced Magnesium Limited (ACN 010 441 666).

The twenty-eighth Annual General Meeting of Advanced Magnesium Limited (ACN 010 441 666) (the “Company”) will be held in the “Pinaroo 4” room Level 1 of the Grace Hotel 77 York Street (corner York and King Streets) Sydney NSW on Tuesday 22 November 2011 at 10.00am (Sydney time). The annual report is available for viewing on the Company’s web site at the following web address: <http://www.am-technologies.com.au/pdf/Annual%20Report%202011.pdf>

The business to be dealt with at the Meeting is:

## ORDINARY BUSINESS

**ITEM 1: Financial Report, Directors’ Report and Auditor’s Report** (Refer “Explanatory Notes” at the foot of this notice)

**Resolution 1** “To receive and consider the Financial Report, including the Directors’ Declaration for the year ended 30 June 2011 and the related Directors’ Report and Auditor’s Report thereon.”

**ITEM 2: Adoption of Remuneration Report (advisory only resolution)** (Refer to “Explanatory Notes” at the foot of this notice)

To consider, and if thought fit, pass the following resolution as an advisory only resolution (i.e. non-binding upon Directors):

**Resolution 2** “To adopt the Remuneration Report for the year ended 30 June 2010 as set out in the Annual Report on pages 7 - 11.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by key management or related parties, or votes made by undirected proxies. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by a 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.

**ITEM 3: Election of Director (ordinary resolution)** (Refer to “Explanatory Notes” at the foot of this notice)

**Resolution 3** “That in accordance with Article 11.1(g) of the Company’s Constitution Mr Robert Shaw be confirmed as a Director of the Company.”

**ITEM 4: Change of Name of the Company (special resolution)** (Refer to “Explanatory Notes” at the foot of this notice)

**Resolution 4** “That approval is given for the Company to change its name to Magontec Limited”

**ITEM 5: Ratification of Share Issue to Straits Mine Management Pty Limited (SMM) (ordinary resolution)** (Refer to “Explanatory Notes” at the foot of this notice)

**Resolution 5** “For the purposes, of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 40,499,167 ordinary shares at an issue price of \$0.055 per share to SMM on the terms and conditions set out in the Explanatory Notes.”

Voting Exclusion Statement: In accordance with ASX Listing Rules 7.5, the Company will disregard any votes cast on this resolution by SMM and any associate of SMM. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by a 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.

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**ITEM 6: Ratification of the Issue of a Convertible Note to SMM (ordinary resolution)** (Refer “Explanatory Notes” at the foot of this notice)

**Resolution 6** “That shareholders ratify the issue of a Convertible Loan Note (CLN) by the Company to SMM dated 4 July 2011 for an amount of \$3,368,04 on the terms outlined in the Explanatory Notes which terms include an option by SMM, exercisable on or after 4 July 2012, to convert any amount then outstanding under the CLN into shares in the Company”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by SMM and any associate of SMM. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by a 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.

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**ITEM 7: Approval of Issue of Shares to the Underwriters of the Company’s July 2011 Share Purchase Plan (ordinary resolution)** (Refer to “Explanatory Notes” at the foot of this notice)

**Resolution 7** “That for the purposes of Listing Rule 7.1, shareholders approve the issue of 49,680,172 ordinary shares at an issue price of \$0.06 per share to the Recipients identified in, and on the terms and conditions set out in, the Explanatory Notes.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who will participate in the issue and any associate of those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by a 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.

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**ITEM 8(a): Approval of a Plan for the Issue of Securities to the Executives of the Company and its Wholly Owned Subsidiaries (ordinary resolution)** (Refer to “Explanatory Notes” at the foot of this notice)

**Resolution 8(a)** “For the purpose of Exception 9 to Listing Rule 7.2 shareholders approve a plan that provides for the issue of Securities to Executives of the Company and its Wholly Owned Subsidiaries on the terms and conditions set out in the Explanatory Notes.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who is eligible to participate in the plan and any associate of those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by a 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.

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**ITEM 8(b): Approval of Issue of Securities to Executives of the Company and its Wholly Owned Subsidiaries (ordinary resolution)** (Refer to “Explanatory Notes” at the foot of this notice)

**Resolution 8(b)** “For the purpose of Listing Rule 10.14 shareholders approve the issue of Securities to Executives of the Company and its Wholly Owned Subsidiaries on the terms and conditions set out in the Explanatory Notes.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who is eligible to participate in the issue and any associate of those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by a 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.

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**ITEM 9: Approval of Issue of Shares to Chief Executive Officer of Henan Keweier Alloy Materials Co. Ltd Mr Qiuqian Sun (ordinary resolution)** (Refer “Explanatory Notes” at the foot of this notice)

**Resolution 9** “That for the purpose of Listing Rule 7.1 Mr Qiuqian Sun be issued with ordinary shares in the Company equal in value to \$40,000 at a deemed issue price of \$0.06 - being 666,667 ordinary shares in the Company.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by Mr Qiuqian Sun and any associate of Mr Qiuqian Sun. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by a 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.

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## DETERMINATION OF VOTING ENTITLEMENT

For the purposes of this meeting, all persons who are registered holders of shares in the Company at 7:00pm Sydney time on Sunday 20 November 2011 will be entitled to vote.

## APPOINTING A PROXY

A member entitled to vote may appoint a proxy to attend and vote on behalf of the member. If the member is entitled to cast more than two votes, the member may appoint two proxies to attend and vote instead of the member. Where more than one proxy is appointed, each proxy may be appointed to represent a specified portion of the member's voting rights. If no such specification is given and two proxies are appointed, each may exercise half the votes to which the member is entitled. A proxy need not be a member. Proxies must be executed in accordance with the instructions in the notes accompanying the proxy form.

To be valid, the signed proxy form (together with an original or certified copy of the power of attorney if applicable) must be:

- Lodged with Boardroom Pty Limited at Level 7, 207 Kent Street, Sydney NSW 2000;
- Delivered by post to Boardroom Pty Limited GPO Box 3993, Sydney NSW 2001; or
- Sent by facsimile to Boardroom Pty Limited on +61 2 9290 9655;

so as to be received by Boardroom Pty Limited by 10:00 am Sydney time on Sunday 20 November 2011 being not less than 48 hours before the time for holding the meeting.

## EXPLANATORY NOTES

### ITEM 1: Financial Report and Directors' and Audit Report

The *Corporations Act 2001* (Cth) requires that the Financial Report, including the Directors' Declaration for the year ended 30 June 2011 and the related Directors' Report and Auditors' Report, be laid before the Annual General Meeting. In addition, the Company's Constitution provides for such reports and statements to be received and considered at the meeting. None of the *Corporations Act 2001* (Cth), the ASX Listing Rules or the Company's Constitution requires a vote of shareholders at the Annual General Meeting on such reports or statements. However, shareholders will be given ample opportunity to raise questions with respect to these reports and statements at the meeting.

### ITEM 2: Adoption of Remuneration Report (advisory only resolution)

Shareholders are entitled to vote on the question whether the Remuneration Report as contained in the Annual Report is to be adopted. Shareholders should note, however, that this is an "advisory only" resolution which does not bind the Directors of the Company.

**The Board recommends that shareholders vote in favour of Resolution 2.**

### ITEM 3: Election of Director (ordinary resolution)

On 4 March 2011 Mr Robert Shaw was appointed as a Director of the Company under Article 11.1(f). That article states;

"The Directors may at any time appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors shall not at any time exceed the number determined in accordance with this Constitution."

The resolution at Item 3 gives effect to Article 11.1(g) which states;

"Any Director appointed in accordance with Clause 11.1(f) shall (unless in the meantime he has been appointed a managing Director) hold office only until the next following annual general meeting and shall then be eligible for re-election."

Under Article 11.1(d) the resolution to appoint Mr Shaw is not required to be preceded by a shareholder nomination.

**The Board recommends that shareholders vote in favour of Resolution 3.**

### ITEM 4: Change of Name of the Company (special resolution)

One of the purposes of the acquisition of the Magontec group of companies by AML was to provide AML with an established marketing and distribution platform for its magnesium alloy technology assets and newly established magnesium alloy manufacturing joint venture in China.

The name Magontec is a well established and valuable brand in the magnesium alloy manufacturing sector with production units in China, Germany and Romania. Magontec has a well developed marketing and distribution function with representatives in Europe, Asia, Japan and the

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Americas. The Magontec brand and marketing network has been established over a period of four years and builds on its long history, stretching back to 1953, including a long period of ownership by Norsk Hydro.

The Directors of AML are of the view that the change of name to Magontec will

- enhance the ability of the group to conduct business in all regions of the World;
- provide investors and customers with a recognisable, reputable and valuable brand; and
- signal the new strategic direction of the Company to become a global industry participant in the delivery of generic and enhanced magnesium alloys.

**The Board recommends that shareholders vote in favour of Resolution 4.**

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## **ITEM 5: Ratification of Share Issue to Straits Mine Management Pty Limited (SMM) (ordinary resolution)**

On 4 July 2011 AML agreed to acquire the Magontec group of companies from SMM at a purchase price of \$5,595,501. Also on that date AML issued 40,499,167 shares to SMM at a price of \$0.055 to SMM as part payment for the purchase price. The shares issued to SMM had a value of \$2,227,454 leaving an amount of \$3,368,047 owing to SMM.

This resolution seeks shareholder ratification of the issue of 40,499,167 ordinary shares at an issue price of \$0.055 per share made on 4 July 2011, with a value of \$2,227,454. The shares so issued were ordinary shares that ranked pari passu with other ordinary shares.

Subject to certain exceptions, Listing Rule 7.1 restricts a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of the company's ordinary securities on issue at the commencement of that period without shareholder approval.

The exception to this rule contained in Listing Rule 7.4 provides an issue made within the 15% limit will be treated as having been made with the approval of shareholders under Listing Rule 7.1 if subsequently approved by shareholders, thereby "refreshing" the Company's ability to issue shares within the 15% limit, and restoring the Company's ability to make placements within that limit (if that is thought desirable) without the need for shareholder approval.

While the shares described in this Resolution 5 were issued within the 15% limit, the Company seeks shareholder ratification of the issue of those shares for the purpose of Listing Rule 7.4, so that the Company's ability to issue securities will be "refreshed" and it will have flexibility to issue further securities should the need or opportunity arise.

**The Board recommends that shareholders vote in favour of Resolution 5.**

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## **ITEM 6: Ratification of the Issue of a Convertible Loan Note to SMM (ordinary resolution)**

SMM's entitlement to the balance of the purchase price of \$3,368,047 described above in Explanatory Note Item 5 is governed by the terms of a Convertible Loan Note (CLN) issued by AML to SMM for \$3,368,047. The CLN has the following key conditions.

- No interest is payable before 4 July 2012.
- No interest is payable after 4 July 2012 if shareholders of the Company pass a resolution in a general meeting approving the right of SMM to convert any amount outstanding under the CLN into shares in the Company.
- If such resolution is not passed by 4 July 2012 the amount then outstanding under the CLN will attract interest at the 6 month bank bill swap (BBSW) rate plus a margin of 4%.
- The Company must pay the amount owing under the CLN by 4 July 2012 unless it is converted into shares.

If shareholders of the Company approve the availability of the right to convert the amount outstanding under the CLN to shares of the Company, SMM may, on or after 4 July 2012, convert any amount then outstanding under the CLN into shares in the Company at a price of \$0.055 per share.

A right of conversion will provide flexibility to both the Company and SMM to manage cash and market conditions that will prevail at the due date for repayment on 4 July 2012.

The Company seeks shareholder ratification of the issue of the CLN on the broad terms and conditions outlined above. Separate approval for the issue of any shares that relate to the SMM's election to convert the balance of the CLN into shares will be sought closer to the likely date of issue of such shares.

**The Board recommends that shareholders vote in favour of Resolution 6.**

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## ITEM 7: Approval of Issue of Shares to the Underwriters of the Company's July 2011 Share Purchase Plan (SPP) (ordinary resolution)

On 20 July 2011 AML released to its shareholders material associated with an SPP. The target equity raising under this SPP was \$3,000,000. On 8 August 2011 AML announced that it had secured a partial underwriting of the SPP by two of its institutional shareholders.

The quantum of the underwriting was geared to the amount subscribed to the SPP by AML's general shareholder base. The underwritten amount equates to \$1,343,642.04. The information below is provided in terms of Listing Rule 7.3.

**Table 1 (Item 7) – Basis on which underwriting of SPP has been calculated**

Subscribers	Amount Subscribed /To Be Subscribed	Shares Issued /To Be Issued	Status
Amount subscribed by AML's general shareholder base	\$1,637,168.28	27,286,138	Shares allocated 6 September 2011
Amount to be subscribed by underwriters	\$1,343,642.04	22,394,034	Shares to be issued and paid for upon shareholder approval
<b>Total subscription</b>	<b>\$2,980,810.32</b>	<b>49,680,172</b>	

This resolution seeks shareholder approval to the issue of 22,394,034 to the SPP underwriters at a price of \$0.06 to raise an amount of \$1,343,642.04. The shares the subject of this resolution will be issued and allotted within a period of two weeks following shareholder approval to the parties listed in Table 2 (Item 7).

**Table 2 (Item 7)**

Recipient	No. of shares
Various funds that have appointed Orbis Investment Management (Australia) Pty Ltd as their investment manager	18,900,020
Optimist International	3,494,014
<b>Total</b>	<b>22,394,034</b>

- None of the above recipients are related parties to the Company or their associates.
- The shares issued will be fully paid ordinary shares that rank equally in all respects with existing shares.
- The funds raised by the issue of the shares the subject of this Resolution will be applied toward general working capital requirements in accordance with the Company's business plan.

**The Board recommends that shareholders vote in favour of Resolution 7.**

## ITEM 8(a): Approval of a Plan for the Issue of Securities to the Executives of the Company and its Wholly Owned Subsidiaries (ordinary resolution)

The Remuneration and Appointments Committee (**REM Committee**) of the Board undertook an extensive review of executive remuneration in August 2011. Part of that review involved;

- determining the level of standard remuneration for the Executive Chairman; and
- installing an appropriate reward and incentive arrangement in addition to the standard remuneration.

The review was conducted by an external consultant and was required to assess current reward and incentive packages for senior executives and to recommend an appropriate scheme for future remuneration packages to be offered to executives within the AML corporate office and the senior executives of AML's newly acquired subsidiary, Magontec.

The report identified that the senior executives of AML had been under-compensated by comparison with market remuneration levels for similar sized businesses in recent years and recommended that short-term and long-term incentive schemes should be put in place.

Subsequent to this review the Board approved a recommendation from the REM Committee for both the establishment of a plan for the issue of securities to Executives and the immediate allocation of certain securities. This resolution deals with the establishment of plan with the principles described below. The Company is seeking shareholder approval of the plan so that the issue of securities under the plan will fall within Exception 9 of Listing Rule 7.2.

### Short Term Reward

A one off bonus share grant to be made to the Executive Chairman and Chief Financial Officer (refer Item 8(b)) having regard to

- the improved foundation for the Company following the acquisition of Magontec;
- sub market remuneration paid during their previous employment tenures; and
- extraordinary demands of the time allocated to their work, travel and living for periods in a remote location..

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The REM Committee has recommended that no further short-term bonus payment be offered to executives of the Company (including Magontec) until the Retention Rights proposed for senior executives of Magontec has been fully satisfied.

## Retention Rights Scheme

This involves the allocation of shares of the Company, to five nominated incoming senior executives of Magontec. Retention Rights will be equivalent to one-year's salary for each of these executives. Shares issued under this scheme are linked to the profitability of AML over the next four years and will be priced at the 10-day VWAP of the Company's shares in the period prior to the date of grant of each award as follows:

- o a minimum award of 10% will be made on the day following the 2011 AGM;
- o dependent on profitability of the Company, additional awards will be made on each of 1 July 2012, 1 July 2013, and 1 July 2014 but in any event a minimum award of 10% of the total award will be made on each of these dates; and
- o any residual Retention Rights outstanding on 1 July 2015 will be awarded on that date.

Shares issued under the Retention Rights scheme will vest 18 months after the grant date and once vested will not be escrowed.

## Long Term Incentive Scheme (LTIS)

The consultant recommended that a two part **LTIS** be made available to qualifying executives not currently in receipt of awards under the Retention Rights Scheme.

The **first part of the LTIS** offers qualifying executives of the Company 5 year Premium Exercise Price Options (**PEPOs**) to be issued on 1 July each year. These instruments will have an exercise price set at a 66.7% premium to the 10 day VWAP share price prior to the date of grant. PEPOs are not subject to vesting conditions, would have a nil taxable value at grant and are not subject to performance criteria. The first allocation of PEPOs will occur on 1 July 2012.

The **second part of the LTIS** offers qualifying executives of the Company Performance Share Rights (**PSRs** - rights to AML shares for a nil exercise price). Award of PSRs is subject to performance criteria to be agreed with each recipient.

The first award of PSRs is to be made subject to a review by the REM Committee of qualitative and quantitative performance targets following the publication of the 2014 financial year results. Executives participating in the Retentions Rights Scheme will not be entitled to participate in the **LTIS** until the Retention Rights proposed for senior executives of Magontec has been fully satisfied.

For the those executives entitled to participate in the **LTIS** the REM Committee recommends the following targets be incorporated into the service contracts of qualifying executives:

- 50% of available Performance Share Rights to be awarded for delivery of an average annual Net Operating Profit After Tax (**NOPAT**) growth rate of 10% over a three-year period. The base NOPAT for measuring this award in financial year 2012 will be A\$1.5 million.
- 50% of available Performance Share Rights to be awarded at the discretion of the Board for delivery against various qualitative benchmarks and Key Performance Indicators to be established by the Chair of the REM Committee and included in the service contracts of qualifying executives.

The REM Committee has proposed that incentives under the **LTIS** be split 50/50 between the two parts of the **LTIS**

**The Board recommends that shareholders vote in favour of Resolution 8(a).**

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## **ITEM 8(b): Approval of Issue of Securities to Executives of the Company and its Wholly Owned Subsidiaries (ordinary resolution)**

**Shareholder approval is sought in terms Listing Rule 10.14 to the issue of the following securities.**

### **Short Term Reward**

- A one off bonus share grant to the value of A\$200,000 be offered to the Executive Chairman. The share grant is to be priced at the 10-day volume weighted average price (**VWAP**) of the Company's shares in the period prior to the 2011 AGM. Shares will vest immediately and be escrowed for a period of two years.
- A one off bonus share grant to the value of A\$200,000 be offered to the Chief Financial Officer. The share grant is to be priced at the 10-day VWAP of the Company's shares in the period prior to the 2011 AGM. Shares will vest immediately and be escrowed for a period of two years.

The identity of participants and their likely participation in this scheme are shown in the table immediately below.

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Name	Position In Company	Amount of Issue	Number of Securities To Be Issued Not Exceeding <sup>(1)</sup>
N Andrews	Executive Chairman	\$200,000	4,000,000
J Talbot	Chief Financial Officer and Company Secretary	\$200,000	4,000,000
		\$400,000	8,000,000

## Notes

1 For the purpose of calculating the maximum number of securities to be issued an issue price of \$0.05 has been assumed.

Additional information as required by Listing Rule 10.15A is summarised below

Securities previously issued under this scheme	Nil
Loan arrangements associated with acquisition	Nil
Date of issue of securities the subject of this resolution	Within 2 weeks of shareholder approval

Details of any securities issued under this scheme will be published in each annual report of the entity relating to a period in which the securities have been issued, and that approval for the issue of securities was obtained under listing rule 10.14. Any additional persons who become entitled to participate in this scheme after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under listing rule 10.14.

## Retention Rights Scheme

- Issue of shares to five executives of Magontec
- This initial issue is equal to 10% of their annual salaries denominated in EUR.
- The aggregate value of this initial tranche of shares to be issued will not exceed \$86,750 (with the actual value dependent upon exchange rate prevailing on the day of issue)
- The share issue is to be priced at the 10-day volume weighted average price (VWAP) of the Company's shares in the period prior to the 2011 AGM. Shares will vest 18 months after the grant date and once vested will not be escrowed.

The identity of participants and their likely initial participation in this initial tranche of the scheme are shown in the table immediately below.

Name	Position In Company	Maximum Amount of Issue <sup>(1)</sup>	Number of Securities To Be Issued Not Exceeding <sup>(2)</sup>
G. Franke	COO Magontec GmbH and Director AML	\$31,429	628,580
C. Klein-Schmeink	GM Sales & Marketing	\$16,429	328,580
M. Tauber	Project Manager	\$16,606	332,120
P. Look	CFO Magontec GmbH	\$10,000	200,000
X. Tong	GM Magontec China	\$12,286	245,720
		\$86,750	1,735,000

## Notes

1 For the purpose of calculating the maximum number of securities to be issued a rate of AUD1 = AUD0.70 has been assumed.

2 For the purpose of calculating the maximum number of securities to be issued an issue price of \$0.05 has been assumed.

Additional information as required by Listing Rule 10.15A is summarised below

Securities previously issued under this scheme	Nil
Loan arrangements associated with acquisition	Nil
Date of issue of securities the subject of this resolution	Within 2 weeks of shareholder approval

Details of any securities issued under this scheme will be published in each annual report of the entity relating to a period in which the securities have been issued, and that approval for the issue of securities was obtained under listing rule 10.14. Any additional persons who become entitled to participate in this scheme after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under listing rule 10.14.

**The Board recommends that shareholders vote in favour of Resolution 8(b).**

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**ITEM 9: Approval of Issue of Shares to Chief Executive Officer of Henan Keweier Alloy Materials Co. Ltd (HNKWE) (ordinary resolution)**

The CEO of HNKWE Mr Qiu Jian Sun, is one of the Company's joint venture partners in HNKWE and a shareholder in KWE (HK) Investment Development Co Limited, which as at the date of this meeting holds an interest of 17.97% in the Company.

Mr Sun has occupied the position of CEO of HNKWE since December 2010 without drawing any remuneration. During that period he has developed HNKWE to the point of it trading profitably albeit with some disruption to production activities in recent months due to global economic uncertainties.

The share grant is to be priced at the 10-day VWAP of the Company's shares in the period prior to the 2011 AGM. Ordinary shares will be issued within 2 weeks of shareholder approval. Once issued the shares will vest immediately and will be held in escrow for a period of two years.

**The Board recommends that shareholders vote in favour of Resolution 9.**

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By order of the board.

A handwritten signature in black ink, appearing to read "J Talbot", is written over a light grey circular stamp. The signature is fluid and cursive.

**J Talbot**

Company Secretary

18 October 2011

**Helpline:** If you have any questions regarding the meeting or proxy voting, please do not hesitate to contact the Company's share registrar **Boardroom Pty Limited** on 1300 737 760 for Australian shareholders or +61 2 9290 9600 for overseas shareholders.