

HYDROMET CORPORATION LIMITED

(ABN 71 002 802 646)

Notice of 2011 Annual General Meeting

Notice is hereby given that the 2011 Annual General Meeting of Hydromet Corporation Limited (“the Company”) will be held at Citigate Central Sydney Hotel, 169-179 Thomas Street, Haymarket, NSW 2000 on Friday 18 November 2011 at 3.00 p.m.

BUSINESS

1. 2011 financial report

To receive the Financial Report, Directors’ Report and Auditor’s Report for Hydromet Corporation Limited for the year ended 30 June 2011.

Note:

There is no requirement for shareholders to approve these reports.

2. Re-election of Director

To elect Mr Stephen Kwan, who retires by rotation and offer himself for re-election as a director of the Company.

Notes:

- *The non-candidate directors unanimously support the re-election of Mr Stephen Kwan.*
- *The Chairman of the meeting intends to vote undirected proxies in favour of Mr Stephen Kwan’s re-election.*

3. Remuneration report

To adopt the Remuneration Report for the year ended 30 June 2011.

Notes:

- *This resolution is advisory only and does not binding the Company or the directors.*
- *If 25% or more of the votes that casted for this resolution 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 (a “spill resolution”) that another meeting be held within 90 days at which all of the Company’s directors (other than the Managing Director and CEO) must go up for re-election.*

Please refer to the Explanatory Notes for further information on the proposed resolutions.

By order of the Board



Pipvide Tang
Company Secretary
29 September 2011

Eligibility to vote

The directors have determined that the shareholding of each shareholder for the purposes of ascertaining the voting entitlements for the Annual General Meeting will be taken to be held by the persons who are registered as members at 7:00pm EST on 16 November 2011. Accordingly transfers registered after that time will be disregarded in determining members entitled to attend and vote at the meeting.

Appointing a proxies

A shareholder has the right to appoint a proxy to attend and vote on your behalf. The proxy need not be a shareholder of the Company. If a shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. The Proxy Form must be deposited at the share registry of the Company, Boardroom Pty Limited, located at Level 7, 207 Kent Street, Sydney, NSW 2000 or by mail to Boardroom Pty Limited, GPO Box 3993, Sydney, NSW 2001, Australia or by facsimile to Boardroom Pty Limited on 61 2 9290 9655 at least 48 hours before the meeting.

Explanatory Notes

This explanatory note accompanies the Notice of Annual General Meeting at which a number of resolutions are to be considered in relation to the agenda of the meeting.

Item 1: 2011 financial report

There is no requirement for shareholders to approve the report. However, reasonable opportunity will be given to shareholders to ask questions about the report.

Item 2: Re-election of director, Mr Stephen Kwan

Under Clause 12.9(a) of the Company's Constitution, one-third of the directors (excluding the Managing Director) automatically retired. A director who retires in accordance with this requirement is eligible for re-election.

Mr Stephen Kwan is due to retire at the end of the meeting and offers himself for re-election. The profile of Mr Stephen Kwan is set out below:

Stephen Kwan	Director (Independent non-executive)
Qualifications	Master of Philosophy
Experience	Board member since 1991.
Special Responsibilities	Member of the Audit and Remuneration Committee.
Directorships held in other listed entities during the three years prior to the current year	None

The non-candidate directors unanimously support the re-election of Mr Stephen Kwan.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on this resolution. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Stephen Kwan's re-election.

Item 3: Remuneration report

The Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions about the Remuneration Report at the meeting. In addition, shareholders will be asked to vote on the adoption of the Remuneration Report.

The vote on this resolution is advisory only and does not binding the Company or the directors.

Under the *Corporations Act 2001*, if 25% or more of the votes that casted for this resolution 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 (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director and CEO) must go up for re-election.

The Company encourages all shareholders to cast their votes on this resolution. If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on this resolution. Any undirected proxies held by the Chairman of the meeting, other directors or other key management personnel or any of their closely related parties will not be voted on this resolution. If you appoint the Chairman of the meeting, other directors and other key management personnel as your proxy, you should direct them how to vote if you want your shares to be voted on this resolution.

Voting Exclusions

Voting exclusion on this resolution applies to the directors and other key management personnel of the Company and their closely related parties. However, the company will not disregard a vote by the directors and other key management personnel of the Company and their closely related parties if they are voted as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form.

The Remuneration Report identifies Hydromet's key management personnel for the financial year to 30 June 2011. Their closely related parties are defined in the *Corporation Act 2001*, and include certain of their family members, dependants and companies they control.



FOR ALL ENQUIRIES CALL:
(within Australia) 1300 737 760 (outside Australia) +61 2 9290 9600

FACSIMILE
+61 2 9290 9655

ALL CORRESPONDENCE TO:

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001
Australia

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction on the form. **Please note, you cannot change ownership of your securities using this form.**

Reference Number:

Please note it is important you keep this confidential

YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 3.00pm WEDNESDAY 16th NOVEMBER 2011

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy
If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave 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. Do not write the name of the issuer company or the registered securityholder in the space.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

To direct your proxy how to vote, place 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 box or boxes. 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.

STEP 3 Sign the Form

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders must sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at **3pm on Friday, 18th November 2011**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxies may be lodged using the reply paid envelope or:

BY MAIL - Share Registry – Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia

BY FAX - + 61 2 9290 9655

IN PERSON - Share Registry – Boardroom Pty Limited, Level 7, 207 Kent Street, Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Hydromet Corporation Limited

STEP 1 - Appointment of Proxy

I/We being a member/s of **Hydromet Corporation Limited** and entitled to attend and vote hereby appoint

the Chairman of the Meeting (mark with an 'X') **OR**

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

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 at the **Annual General Meeting of Hydromet Corporation Limited to be held at Citigate Central Sydney Hotel, 169-179 Thomas Street, Haymarket, NSW 2000 on Friday the 18th November 2011 at 3.00pm** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

No undirected proxies to the Chairman or Key Management Personnel will be voted on Item 3. Adoption of Remuneration Report. You are encouraged to direct your proxy by marking the box in relation to the resolution in the section below.

STEP 2 - Voting directions to your Proxy – please mark to indicate your directions

Ordinary Business		For	Against	Abstain*
Item 2	Re-election of director, Mr Stephen Kwan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	To adopt the Remuneration Report for the year ended 30 June 2011	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to the intentions advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 2..

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

STEP 3 - PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone Date / / 2011