

# HYDROMET CORPORATION LIMITED

(ABN 71 002 802 646)

## Notice of 2010 Annual General Meeting

Notice is hereby given that the 2010 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 Monday 18 October 2010 at 3.00 p.m.

### BUSINESS

**1. 2010 financial report**

To receive and consider the Financial Report of the Company and the Reports of the Directors and Auditor for the year ended 30 June 2010.

**2. Remuneration report**

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

'That the Remuneration Report that forms part of the directors' report for the Company for the financial year ended 30 June 2010 be adopted.'

Please note that the vote on this resolution is advisory only and does not bind the directors and the Company.

**3. Re-election of directors:**

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

(a) 'That Dr Lakshman Jayaweera, an executive director retires by rotation at the close of the meeting in accordance with Clause 12.9(a) of the Company's Constitution and, being eligible, offers himself for re-election as a director of the Company.'

(b) 'That Mr. Pipvide Tang, an executive director retires by rotation at the close of the meeting in accordance with Clause 12.9(a) of the Company's Constitution and, being eligible, offers himself for re-election as a director of the Company.'

**4. Ratification of share placement**

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

'That, for the purposes of Rule 7.4 of the Listing Rules and all other purposes, the Company ratifies and confirms the issue of 18,000,000 fully paid ordinary shares in the Company at an issue price of 4 cents per share to the sophisticated investors named on the Explanatory Notes.'

By order of the Board



Pipvide Tang  
Company Secretary  
17 September 2010

## **VOTING ENTITLEMENTS**

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 5:00pm EST on 15 October 2010. Accordingly transfers registered after that time will be disregarded in determining members entitled to attend and vote at the meeting.

## **PROXIES**

A shareholder has the right to appoint a proxy, who 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, Registries Limited, located at Level 7, 207 Kent Street, Sydney, NSW 2000 or by mail to Registries Limited, GPO Box 3993, Sydney, NSW 2001, Australia or by facsimile to Registries Limited on 61 2 9290 9655 at least 48 hours before the meeting.

## EXPLANATORY NOTES

These explanatory notes form part of this Notice of Annual General Meeting.

### Item 2: Remuneration report

The Corporations Act requires a non-binding resolution to be put to the members to adopt the Remuneration Report as disclosed in the Company's 2010 annual report. The vote on this resolution is advisory only and does not bind the directors and the Company. The resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the meeting.

### Item 3: Election of directors

Profile of Dr Lakshman Jayaweera and Mr Pipvide Tang offering themselves for re-election to the office of director is set out below.

<b>Dr Lakshman Jayaweera</b>	Chairperson (Executive)
Qualifications	Master of Science and Doctor of Philosophy
Experience	Appointed Chairperson in 2001. Appointed Deputy Chairperson in 2000. Board member since 1991.
Special Responsibilities	Responsibilities include technical and business development.

<b>Mr Pipvide Tang</b>	Director - Finance (Executive)
Qualifications	Master of Business Administration and Certified Public Accountant
Experience	Board member since 1997.
Special Responsibilities	Responsibilities include finance and company secretarial functions.

### Item 4: Ratification of share placement

This resolution ratifies a placement of 18,000,000 fully paid ordinary shares to sophisticated investors named below which completed on 15 February 2010.

The purpose of this resolution is for shareholders to approve, pursuant to Listing Rule 7.1, the placement of securities to sophisticated and professional investors which would otherwise count toward the Company's 15% limit under Listing Rule 7.1.

As stated above, Listing Rule 7.1 provides that (subject to certain exceptions, none of which is relevant to the issues of securities noted below) prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of the shares at the commencement of that 12 month period.

If resolution 4 is approved, the placement will not be counted towards the 15% capacity which will enable the Company to issue further securities up to that limit.

The following information is provided to shareholders in accordance with Listing Rule 7.5 to assist in assessing the resolution:

- (a) The number of securities allotted was 18,000,000 fully paid ordinary shares.
- (b) The price at which the securities were issued was 4 cents per share.
- (c) The terms of the securities are the same as those governing the current issued ordinary shares in the Company.
- (d) The names of the allottees are:

<b>Name</b>	<b>No. of shares allotted</b>
Leet Investments Pty Ltd <Super Fund A/C>	2,500,000
Leet Investments Pty Ltd	2,500,000
Sylvan Imports Pty Ltd	3,000,000
Bradley Polaris Pty Ltd <Bradley S/F A/C>	6,000,000
Hugh Mckee <McKee Super Fund>	4,000,000

(e) The fund raised was for working capital purpose.

**Voting exclusion statement;**

The Company will disregard any votes cast on Resolution 4 on this Notice by any of the allottees named above 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 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.



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

**FACSIMILE**  
+61 2 9290 9655

**ALL CORRESPONDENCE TO:**  
Registries Limited  
GPO Box 3993  
Sydney NSW 2001  
Australia

## Name and Address

### 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. Securityholders sponsored by a broker should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

## YOUR VOTE IS IMPORTANT

**FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 3.00PM  
SATURDAY 16 OCTOBER 2010**

## TO VOTE ONLINE

**Reference Number: <HIN/SRN>**



**STEP 1 : VISIT** [www.registries.com.au/vote/hydrometagm2010](http://www.registries.com.au/vote/hydrometagm2010)

**STEP 2: Enter your holding/Investment type**

**STEP 3: Enter your Reference Number and VAC: <VAC NUMBER>**

## 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:

- 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.
- 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 **3.00pm on Monday 18 October 2010**. 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 – Registries Limited, GPO Box 3993,  
Sydney NSW 2001 Australia

**BY FAX -** + 61 2 9290 9655

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

**Vote online at:**

**[www.registries.com.au/vote/hydrometagm2010](http://www.registries.com.au/vote/hydrometagm2010)  
or turnover to complete the Form →**

### Attending the Meeting

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

# Hydromet Corporation Limited

<Co Name>  
 <Address 1>  
 <Address 2>  
 <Address 3>  
 <Address 4>  
 <Address 5>

<BARCODE>

## 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 the Citigate Central Sydney Hotel, 169-179 Thomas Street, Haymarket, NSW 2000 on Monday, 18 October 2010 at time 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.

If the Chairman of the Meeting is appointed as your proxy or may be appointed by default, and you do not wish to direct your proxy how to vote in respect of a resolution, please mark this box. By marking this box, you acknowledge that the Chairman of the Meeting may vote as your proxy even if he has an interest in the outcome of the resolution and votes cast by the Chairman of the Meeting for those resolutions, other than as proxy holder, will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called. The Chair intends to vote all undirected proxies in favour of the resolution.

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

Ordinary Business		For	Against	Abstain*
1.	2010 Financial Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Re-election of directors			
(a)	Re-election of Dr Lakshman Jayaweera	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(b)	Re-election of Mr. Pipvide Tang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Ratification of share placement	<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 each of the items of business.

\*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.

<b>Individual or Securityholder 1</b>	<b>Securityholder 2</b>	<b>Securityholder 3</b>
<b>Sole Director and Sole Company Secretary</b>	<b>Director</b>	<b>Director/Company Secretary</b>

Contact Name ..... Contact Daytime Telephone ..... Date / / 2010