

---

**STRATUM METALS LIMITED**

**ABN 90 147 867 301**

**NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY  
STATEMENT**

---

**TIME:** 11:00am AEST

**DATE:** Tuesday 18 October 2011

**PLACE:** Stratum Metals Limited  
Level 7, 151 Macquarie Street  
SYDNEY NSW 2000

*This Notice of Meeting and Explanatory Statement 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 (08) 9388 8041.*

---

## **CONTENTS**

---

Notice of Annual General Meeting (setting out the proposed resolutions)	3
Explanatory Statement (explaining the proposed resolutions)	5
Glossary	8
Proxy Form	10

---

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

---

### **VENUE**

---

The Annual General Meeting of the Shareholders of Stratum Metals Limited which this Notice of Meeting relates to will be held at 11:00am AEST on Tuesday, 18 October 2011 at:

<p><b>Stratum Metals Limited Level 7, 151 Macquarie Street SYDNEY NSW 2000</b></p>
--

### **YOUR VOTE IS IMPORTANT**

---

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

### **VOTING IN PERSON**

---

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

### **VOTING BY PROXY**

---

To vote by proxy, please complete and sign the proxy form enclosed and either:

- (a) send the proxy form by post to Stratum Metals Limited, PO Box 1905, Subiaco WA 6904; or
- (b) send the proxy form by facsimile to the Company on facsimile number (08) 9388 8042,

so that it is received not later than 11.00am AEST on Sunday, 16 October 2011.

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

---

---

## NOTICE OF ANNUAL GENERAL MEETING

---

Notice is given that the Annual General Meeting of Shareholders of Stratum Metals Limited will be held at Stratum Metals Limited, Level 7, 151 Macquarie Street, SYDNEY NSW 2000 at 11.00am AEST on Tuesday, 18 October 2011.

The Explanatory Statement annexed 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 at the close of business on 16 October 2011.

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

### AGENDA

---

#### Reports and Accounts

To receive the financial report of the Company for the year ended 30 June 2011, together with the Directors' report and the auditor's report.

#### Resolution 1 – Adoption of Remuneration Report (Non-binding)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **advisory only resolution**:

*"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2011."*

**Short Explanation:** The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

#### Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this Resolution if:

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

---

## NOTICE OF ANNUAL GENERAL MEETING

---

### **Resolution 2 – Re- election of Mr Kent Hunter**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, Mr Kent Hunter, being a Director, retires in accordance with clause 11.3 of the Constitution and, being eligible for re-election, is hereby re-elected as a Director."*

### **Resolution 3 – Re-election of Mr Michael Addison**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, Mr Michael Addison, being a Director, retires in accordance with clause 11.11 of the Constitution and, being eligible for re-election, is hereby re-elected as a Director."*

### **Resolution 4 – Re-election of Mr Richard Anthon**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, Mr Richard Anthon, being a Director, retires in accordance with clause 11.11 of the Constitution and, being eligible for re-election, is hereby re-elected as a Director."*

### **Resolution 5 – Appointment of Auditor**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*"That, for the purposes of section 327B of the Corporations Act and for all other purposes, Bentleys, having been nominated and having consented in writing to act as auditor of the Company, be appointed as auditor of the Company."*

**DATED: 22 September 2011**

**BY ORDER OF THE BOARD**



**MARTIN HOLLAND  
MANAGING DIRECTOR  
STRATUM METALS LIMITED**

---

## EXPLANATORY STATEMENT

---

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 of Stratum Metals Limited to be held at Stratum Metals Limited, Level 7, 151 Macquarie Street, SYDNEY NSW 2000 at 11.00am AEST on Tuesday, 18 October 2011.

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 (of which this Explanatory Statement forms a part).

### FINANCIAL STATEMENTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2011 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

### RESOLUTION 1 – REMUNERATION REPORT (NON-BINDING RESOLUTION)

#### General

In accordance with Section 250R(2) of the Corporations Act, the Company must put a resolution to Shareholders that the remuneration report be adopted at the Annual General Meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Under recent changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2012 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the Company's 2012 annual general meeting. All of the Directors who were in office when the Company's 2012 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 2011.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

#### Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of Key Management Personnel or any Closely Related Party as your proxy to vote on this Resolution 1, *you must direct the proxy how they are to vote*. Where you do not direct the Chair, or another member of Key Management Personnel or Closely Related Party on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to this Resolution 1.

---

---

## EXPLANATORY STATEMENT

---

### Definitions

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 2011.

### RESOLUTION 2 – RE- ELECTION OF MR KENT HUNTER

In accordance with Listing Rule 14.4 and Clause 11.3 of the Constitution, at every annual general meeting, one third of the Directors for the time being must retire from office by rotation and are eligible for re-election. The Directors to retire are 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 Kent Hunter retires by rotation at this meeting and, being eligible, offers himself for re-election.

Details regarding Mr Kent Hunter are set out in the 2011 Annual Report.

The Directors, other than Mr Kent Hunter recommend the re-election of Mr Kent Hunter.

### RESOLUTION 3 – RE-ELECTION OF MR MICHAEL ADDISON

In accordance with Listing Rule 14.4 and Clause 11.11 of the Constitution, any Director appointed to fill a casual vacancy or as an addition to the board under clause 11.10 of the constitution, must not hold office (without re-election) past the next annual general meeting of the Company.

Accordingly, as Mr Michael Addison was appointed pursuant to clause 11.10 of the Constitution, he now seeks re-election as a Director in accordance with clause 11.11 of the Constitution. Details regarding Mr Michael Addison are set out in the 2011 Annual Report.

---

## **EXPLANATORY STATEMENT**

---

The Directors, other than Mr Michael Addison, recommend the re-election of Mr Michael Addison.

### **RESOLUTION 4 – RE-ELECTION OF MR RICHARD ANTHON**

In accordance with Listing Rule 14.4 and Clause 11.11 of the Constitution, any Director appointed to fill a casual vacancy or as an addition to the board under clause 11.10 of the constitution, must not hold office (without re-election) past the next annual general meeting of the Company.

Accordingly, as Mr Richard Anthon was appointed pursuant to clause 11.10 of the Constitution, he now seeks re-election as a Director in accordance with clause 11.11 of the Constitution. Details regarding Mr Richard Anthon are set out in the 2011 Annual Report.

The Directors, other than Mr Richard Anthon, recommend the re-election of Mr Richard Anthon.

### **RESOLUTION 5 – APPOINTMENT OF AUDITOR**

Under the Corporations Act, the Directors of the Company were required to appoint an auditor at the time of incorporation of the Company. Pursuant to the Corporations Act, the auditor so appointed holds office only until the first annual general meeting of the Company.

The Directors have considered this matter and now recommend that Bentleys be appointed as auditor of the Company and that Shareholders consider this resolution at the Company's first Annual General Meeting. The Company acknowledges that Bentleys have consented in writing to being appointed as the Company's auditor.

In accordance with the Corporations Act, Kouta Bay Pty Ltd <The Houndy Family Trust>, a Shareholder, has nominated Bentleys to be appointed auditor of the Company. A copy of that nomination is attached to the Notice of Annual General Meeting (Annexure "A").

---

## GLOSSARY

---

**2011 Annual Report** means the Company's annual report including the reports of the Directors and auditor and the financial statements of the Company for the year ended 30 June 2011, which can be downloaded from the Company's website at [www.stratummetals.com.au](http://www.stratummetals.com.au)

**AEST** means Australian Eastern Standard Time

**ASX** means ASX Limited (ACN 008 724 791).

**Annual General Meeting** means the Annual General Meeting of the Company to be held on Tuesday 18 October 2011.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of the ASX and any other rules of the ASX which are applicable while the entity is admitted to the Official List of the ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

**Board** means the board of Directors.

**Company** or **Stratum Metals** means Stratum Metals Limited (ABN 90 147 867 301).

**Constitution** means the constitution of the Company.

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

**Director** means a director of the Company.

**Explanatory Statement** means the explanatory statement accompanying this Notice of Meeting.

**Notice** means the Notice of the Annual General Meeting attached to this Explanatory Statement.

**Option** means an option to acquire a Share.

**Remuneration Report** means that section of the Directors' Report under the heading "Remuneration Report" set out in the 2011 Annual Report.

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

**Shareholder** means a shareholder of the Company.

**“Annexure A”**

**Auditor Nomination**

22 September 2011

The Directors  
Stratum Metals Limited  
Level 7, 151 Macquarie Street  
SYDNEY NSW 2000

Dear Sirs

**NOMINATION OF AUDITOR**

In accordance with the provisions of section 328B of the Corporations Act, I, Kent Hunter being the sole director & secretary of Kouta Bay Pty Ltd <The Houndy Family Trust> , being a member of Stratum Metals Limited, hereby nominate Bentleys Pty Ltd for appointment as auditor of Stratum Metals Limited.

Yours faithfully



Kent Hunter  
Sole Director/Secretary  
Kouta Bay Pty Ltd <The Houndy Family Trust>