
ENTERPRISE METALS LIMITED

ACN 123 567 073

NOTICE OF ANNUAL GENERAL MEETING

TIME: 3:30pm (WST)

DATE: 25 November 2009

PLACE: Barringtons House
Level 1
283 Rokeby Road
SUBIACO WA 6008

The Enterprise Metals Limited 2009 Annual Report is available online at
www.enterprisemetals.com.au

This Notice of Meeting 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) 6468 0388.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of Enterprise Metals Limited to which this Notice of Meeting relates will be held at 3:30pm (WST) on 25 November 2009 at:

Barringtons House, Level 1, 283 Rokeby Road, Subiaco, WA, 6008

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 send the proxy form:

- (a) by post to Enterprise Metals Limited, C/- Unit 6, 34 York Street, North Perth, Western Australia; or
- (b) by facsimile to the Company on facsimile number (08) 9228 0704,

so that it is received not later than 3:30pm (WST) on 23 November 2009.

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 Enterprise Metals Limited will be held at 3:30pm (WST) on 25 November 2009 at Barringtons House, Level 1, 283 Rokeby Road, Subiaco WA 6008.

The Explanatory Statement 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 General Meeting are those who are registered Shareholders of the Company at the close of business on 23 November 2009.

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

AGENDA

ORDINARY BUSINESS

Reports and Accounts

To receive and consider the financial statements of the Company for the year ended 30th June 2009 together with the declaration of the directors, the directors' report, the remuneration report and auditor's report.

1. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given to the adoption of the Remuneration Report as contained in the Company's annual financial report for the year ended 30th June 2009.”

Short Explanation: The vote on this resolution is advisory only and does not bind the Directors or the Company.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – BRUCE HAWLEY

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

“That, for all purposes, Mr Bruce Hawley, a director of the Company who retires in accordance with clause 13.2 of the Constitution and being eligible, is re-elected as a Director of the Company.”

3. RESOLUTION 3 – 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 328B(1) of the Corporations Act 2001 and for all other purposes Grant Thornton Audit Pty Ltd, trading as Grant Thornton, having been nominated and having consented in writing to act as auditor of the Company, be appointed as auditor of the Company .”

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SECURITIES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the allotment and issue 2,563,659 Shares and 3,563,659 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who participated in the proposed issue and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a 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.

DATED: 20 October 2009

BY ORDER OF THE BOARD



**ENTERPRISE METALS LIMITED
JAY STEPHENSON
COMPANY SECRETARY**

Voting Exclusion Note:

Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a 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.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at Barringtons House, Level 1, 283 Rokeby Road, Subiaco, WA, 6008 at 3:30pm (WST) on 25th November 2008.

This 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.

1. FINANCIAL STATEMENTS AND DIRECTORS' REPORTS

In accordance with the Company's Constitution, the business of the meeting will include receipt and consideration of the Company's Financial Report and reports of directors and auditors for the year ended 30th June 2009.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The Remuneration Report is set out in the Directors' Report in the Company's 2009 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

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

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders.

However, Shareholders should note that the vote on this resolution is advisory only and does not bind the Directors or the Company.

3. RESOLUTION 2 – RE-ELECTION OF MR BRUCE HAWLEY

Clause 13.2 of the Constitution requires that one-third of the Directors must retire at each annual general meeting.

The Company currently has three Directors and accordingly one must retire. A Director who retires under clause 13.2 of the Constitution is eligible for re-election.

Mr Bruce Hawley will retire by rotation and seeks re-election.

4. RESOLUTION 3 – APPOINTMENT OF AUDITOR

The Company's auditor Grant Thornton WA Partnership has acted as the Company's auditors since its inception.

Grant Thornton has recently combined from a state based federation of firms into a single national firm. Accordingly, they are transferring all of their audit appointments into a new single national audit entity (Grant Thornton Audit Pty Ltd) to replace their various state based audit entities. For public companies the appointment of a new audit entity requires a resolution of shareholders at the Annual General Meeting.

The Board has agreed to this resolution being presented to shareholders of the Company for formal vote. To give effect to the change the current Grant Thornton audit entity has requested ASIC consent to resign in favour of their new national

Authorised Audit Company, Grant Thornton Audit Pty Ltd. The resolution is conditional upon ASIC's consent to the resignation of Grant Thornton WA Partnership, and the Company anticipates this consent will be forthcoming.

In accordance with Section 328B of the Corporations Act, notice in writing nominating Grant Thornton has been given to the Company by a shareholder. A copy of this notice is included in Annexure A of this Notice of Meeting. The appointment of Grant Thornton Audit Pty Ltd will be by vote of shareholders as an ordinary resolution.

Subject to approval by shareholders, the appointment of Grant Thornton Audit Pty Ltd will be effective for the 2010 financial year. Grant Thornton WA Partnership remained responsible for the audit for the 2009 financial year.

The Board of the Company unanimously recommends that shareholders vote to change auditors.

5. RESOLUTION 4 – ALLOTMENT AND ISSUE OF 2,563,659 SHARES AND 3,563,659 OPTIONS

5.1 BACKGROUND

On 16 June 2009, the Company lodged a Rights Issue and Placement Prospectus. The Offer was for the issue of 12,646,084 Shares and 12,646,084 Options, comprising one Share for every six Shares held by shareholders at an issue price of \$0.15 per Share. For every Share subscribed, one Option would be granted at no further consideration.

If the Shortfall from the Entitlement Issue was less than 5,000,000 New Shares and 5,000,000 New Options, the Company would offer the Priority Sub-Underwriters such number of Shares and Options that was equal to the difference between 5,000,000 Shares and Options (**Top-Up Offer**) and the total available Shortfall at an issue price of \$0.15 per Share.

The Entitlement Issue was underwritten by Argonaut Capital Limited (Argonaut). Argonaut subscribed for 1,000,000 Options at \$0.01 per Option as part of its underwriting agreement.

The resulting Top-Up applied for by Argonaut was 2,563,659 Shares at a price of \$0.15 per Share and 2,563,659 Options at nil consideration.

Resolution 4 seeks Shareholder approval to ratify the allotment and issue of 2,563,659 Shares at an issue price of \$0.15 per Share, 2,563,659 Options at nil consideration and 1,000,000 Options at a price of \$0.01 per Option.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the allotment and issue of 2,563,659 Shares at an issue price of \$0.15 per Share, 2,563,659 Options at nil consideration and 1,000,000 Options at a price of \$0.01 per

Option pursuant to ASX Listing Rule 7.4

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

5.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Security Ratification:

- (a) the total number of securities allotted was 2,563,659 Shares and 3,563,659 Options;
- (b) the Shares were issued at a price of \$0.15 per Share;
- (c) the Options were issued at a price of \$0.01 per Option for 1,000,000 Options and nil consideration for 2,563,659 Options;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company and rank equally with the Company's current issued Shares;
- (e) The Options issued are exercisable at a price of \$0.25 on or before 20 June 2012;
- (f) the Shares and Options were allotted and issued to Argonaut Capital Limited. None of the subscribers were related parties of the Company; and
- (g) the funds raised from the issue of the Shares and Options (\$385,548) are being used for the further development of the Company's projects Western Australia and for working capital.

The Directors recommend that Shareholders vote in favour of Resolution 4.

ANNEXURE A

14 October 2009

The Directors
Enterprise Metals Limited
Level 1, 430 Murray Street
WEST PERTH WA 6005

Dear Sirs

NOMINATION OF AUDITOR

In accordance with the provisions of section 328B of the Corporations Act, I Jay Stephenson, being a member of Enterprise Metals Limited, hereby nominate Grant Thornton Audit Pty Ltd, for appointment as auditor of that company.

Yours faithfully

A handwritten signature in black ink, appearing to be 'J. Stephenson', written in a cursive style.

JAY STEPHENSON

PROXY FORM

**APPOINTMENT OF PROXY
ENTERPRISE METALS LIMITED
ACN 123 567 073**

ANNUAL GENERAL MEETING

I/We

being a Member of Enterprise Metals Limited entitled to attend and vote at the Meeting, hereby

Appoint

Name of proxy

OR

Mark this box if you wish to appoint the Chairman of the Meeting as your proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the Annual General Meeting to be held at 3:30pm (WST), on 25th November 2008 at Barringtons House, Level 1, 283 Rokeby Road, Subiaco, WA, 6008 and at any adjournment thereof. If no directions are given, the Chairman will vote in favour of all the resolutions.

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Mr Bruce Hawley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Appointment of Auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Allotment and Issue of 2,563,659 Shares and 3,563,659 Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

OR

In relation to these Resolutions, if the Chairman is to be your proxy and you do **not** wish to direct your proxy how to vote on these Resolutions, please place a mark in this box

By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him 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 these Resolutions and your votes will not be counted in computing the required majority if a poll is called on these Resolutions. The Chairman intends to vote in favour of these Resolutions.

IF THE CHAIRMAN IS TO BE YOUR PROXY IN RELATION TO RESOLUTIONS 1 TO 4 YOU MUST EITHER MARK THE BOXES DIRECTING YOUR PROXY HOW TO VOTE OR MARK THE BOX INDICATING THAT YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE, OTHERWISE THIS APPOINTMENT OF PROXY IN RELATION TO RESOLUTIONS 1 TO 5 WILL BE DISREGARDED.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Signed this _____ day of _____ 2009

By:

Individuals and joint holders

Companies (affix common seal if appropriate)

ENTERPRISE METALS LIMITED
ACN 123 567 073

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at a Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.