

15 July 2015

Australian Securities Exchange  
Exchange Centre  
20 Bridge Street  
Sydney  
NSW 2000

## CORPORATE UPDATE AND DISPATCH OF NOTICE OF MEETING

Krucible Metals Limited (**Krucible**) (**Company**) (ASX: **KRB**) is pleased to confirm the following matters:

### ***Dispatch of the Notice of Meeting***

Further to announcements made by the Company on 8 and 15 April 2015 titled "Update on Proposed Capital Return" and "Acquisition of Advanced Torrington Tungsten Exploration Project" (**Torrington Project**) and the subsequent Corporate Updates released to the market, the Company has dispatched its Notice of Meeting (**NoM**) to ordinary shareholders of the Company to:

- approve the proposed Capital Return of A\$0.05 per share; and
- issue up to 18 million fully paid ordinary shares as consideration for the Torrington Project acquisition.

The NoM is attached to this announcement and the shareholders' meeting is to be held 14 August 2015. The NoM's third resolution concerns the change of the name of the Company to TopTung Limited as proposed by the Board of the Company to shareholders in the Corporate Update 15 June 2015.

### ***Grant of ASX waivers from Listing Rule 7.25 and 7.3.2***

In preparing the NoM and resolutions to be put to shareholders by the Company, the ASX has granted waivers from Listing Rules 7.25 and 7.32. One of the conditions of being granted these waivers is that the Company advises the market of the terms which read as follows:

*Based solely on the information provided, ASX Limited ("ASX") grants Krucible Metals Limited ("the Company") the following:*

*A waiver from listing rule 7.25 to the extent necessary to permit the Company to undertake an equal reduction of capital of \$0.05 per share to be approved by the Company's security holders.*

*A waiver from listing rule 7.3.2 to permit the notice of meeting (the Notice) seeking shareholder approval for the issue of 6,000,000 fully paid ordinary shares ("Tranche 3 Shares") as part of the acquisition of two exploration licences in NSW known as the Torrington Project from Resolve Geo Pty Ltd ("Resolve") not to state that the Tranche 3 Shares be issued to Resolve within 3 months of the date of the meeting on the following conditions:*

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- i. The Tranche 3 Shares are issued 20 business days after the Company prepares:*
- a) A final investment decision affecting the licences (as defined in the agreement);and*
  - b) Applying for one or more mineral leases over the area/s of mineralisation described in the final investment decision*
- and in any event no later than 31 December 2017.*
- ii. For any annual reporting period during which any of the Tranche 3 Shares have been issued or any of them remain to be issued, the Company's annual report sets out in detail the basis on which the Tranche 3 Shares may be issued.*
  - iii. In any half year or quarterly report for a period during which any of the Tranche 3 Shares have been issued or remain to be issued, the Company must include a summary statement of the number of Tranche 3 Shares issued during the reporting period; and the number of Tranche 3 Shares remaining to be issued.*
  - iv. The Notice sets out in detail the milestones which must be satisfied prior to the issue of the Tranche 3 Shares.*
  - v. The milestones which must be satisfied for the Tranche 3 Shares to be issued are not varied.*
  - vi. The Company releases the terms of this waiver to the market at the same time the Notice is released to ASX.*

#### **Variation to the terms of the Torrington Project acquisition agreement**

Further to the terms of the Torrington Project acquisition agreement (**Transaction**) with Resolve Geo Pty Ltd (**Resolve**) announced on 15 April 2015 and clarified further in a statement released on 11 May 2015, the parties to the agreement have agreed the following variations:

1. The completion date for the Transaction has been varied to be the third day after the later of:
  - The Record Date for the proposed Capital Return; or
  - satisfaction of the condition precedent under the Transaction.

This variation enables the Company to conduct a proportional Capital Return (and not a selective Capital Return) as no ordinary shares will have been issued to Resolve prior to the Record Date for determining entitlements to an approved Capital Return.

2. The date for satisfying the conditions precedent under the Transaction has been extended from 30 June 2015 to 30 September 2015 as a result of delays in obtaining the required approvals for transfer of the exploration tenements.
3. The issue of fully paid ordinary shares in the Company allows Resolve to allocate up to 5% of each share tranche issue to nominees under the same restriction arrangements that apply to Resolve.
4. The issue of the Tranche 2 shares (6 million shares) is no longer conditional on shareholder approval as the Company will use its 15% capacity under Listing Rule 7.1.

Shareholders and potential investors in the Company should read the NoM in its entirety including all resolutions being put to shareholders the Explanatory Memorandum relating to each resolution. The Board of the Company unanimously recommends that shareholders vote in favour of all three resolutions being put to shareholders

For any enquiries please contact Josh Puckridge on +61 (0) 452 440 100.

Encl – Notice of General Meeting

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## Krucible Metals Ltd

### Notice of General Meeting

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A General Meeting of Krucible Metals Limited (ACN: 118 788 846) will be held at Level 8, 46 Edward Street, Brisbane, QLD 4000 on 14 August 2015 at 10 am (EST).

This notice of general meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting.

Please contact the Company Secretary on 07 4772 5880 if you wish to discuss any matter concerning the Meeting.

**Krucible Metals Limited**  
**ABN 12 118 788 846**

## Notice of General Meeting

Notice is hereby given that a general meeting of the Shareholders of Krucible Metals Limited will be held at Level 8, 46 Edward Street, Brisbane, QLD 4000 on Friday 14 August 2015 at 10 am (Eastern Standard Time) (Meeting).

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form form part of this Notice of Meeting.

Shareholders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete a Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than 10am (Brisbane time) on Wednesday 12 August 2015.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in section 5 of the Explanatory Memorandum.

## Agenda

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### 1 RESOLUTION 1 - APPROVAL OF CAPITAL REDUCTION

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

*"That for the purposes of Part 2J.1 of the Corporations Act and for all other purposes, approval is given for the Company to reduce its issued capital by approximately A\$4,025,428.25 by way of an equal capital reduction, which is to be effected by the Company making a payment to all holders of Shares registered at 7pm (EST) on 20 August 2015 (Record Date), of \$0.05 per Share held by them on the Record Date, and otherwise on the terms and conditions set out in the Explanatory Statement."*

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### 2 RESOLUTION 2 - ISSUE OF SECURITIES

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

*"That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 18,000,000 fully paid ordinary Shares to Resolve Geo Pty Ltd (or nominees) on the terms set out in the Explanatory Memorandum."*

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A voting exclusion statement is set out below.

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**3 RESOLUTION 3 - CHANGE OF NAME**

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

*"That for the purposes of section 157 of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed from "Krucible Metals Limited" to "TopTung Limited" on the terms and conditions set out in the Explanatory Memorandum."*

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**VOTING PROHIBITION AND EXCLUSION STATEMENTS**

Under Listing Rule 14.11, the Company will disregard any votes cast on the following Resolutions by the following persons:

Resolution	Persons excluded from voting
Resolution 2 - Issue of Securities	Persons who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities, if the Resolution is passed, and an associate of that person.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for the person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By order of the Board of Directors



Mike Meintjes  
Company Secretary  
Krucible Metals Limited  
13 July 2015

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**Krucible Metals Limited**  
**ABN 12 118 788 846**

## Explanatory Memorandum

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### 1 INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 8, 46 Edward Street, Brisbane, on Friday 14 August 2015 at 10am (Brisbane time). The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding how to vote on the Resolution set out in the Notice.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice, and includes the Proxy Form located at the end of Explanatory Memorandum.

Please contact the Company Secretary on 07 4772 5880 if you wish to discuss any matter concerning the Meeting.

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### 2 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

#### 2.1 Proxies

All Shareholders are invited and encouraged to attend the Meeting. If a Shareholder is unable to attend in person, they can appoint a proxy to attend on their behalf by signing and returning the Proxy Form (attached to the Notice) to the Company in accordance with the instructions on the Proxy Form. The Company encourages Shareholders completing a Proxy Form to direct the proxy how to vote on the Resolutions.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 10am (Brisbane time) on Wednesday 12 August 2015. Any Proxy Form received after that time will not be valid for the Meeting.

A Proxy Form may be lodged in the following ways:

By Mail                      PO Box 499, Hyde Park, Castletown, Townsville, QLD 4812,  
Australia

By Facsimile              07 4772 4999

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By Hand 113 Boundary St, Railway Estate, QLD 4810, Australia

Shareholders lodging a Proxy Form are not precluded from attending and voting in person at the Meeting.

## 2.2 Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Company's share registry [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au).

## 2.3 Eligibility to vote

The Directors have determined that, for the purposes of voting at the Meeting, Shareholders are those persons who are the registered holders of Shares at 7pm (Brisbane time) on Wednesday 12 August 2015.

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## 3 INTRODUCTION

On 26 February 2015 the Company announced that it was undertaking a return of capital of \$0.05 per Share, or approximately A\$4,025,428.25 in total (assuming no further Shares are issued prior to the Record Date) (**Capital Return**).

On 15 April 2015 the Company announced the acquisition of two exploration licences, EL8258 and EL 8355 (**Torrington Project**). The Torrington Project is located in New South Wales, approximately 351km south of Brisbane and 630 km north-west of Sydney. For a full overview of the Torrington Project's previous exploration and geological prospectively, please see the Company's announcement "Acquisition of Advanced Torrington Tungsten Exploration Project" made on 15 April 2015.

On 15 June 2015 the Company announced that, consistent with its new exploration focus on tungsten and topaz, it was proposing to change its name to TopTung Limited. The change was subject to Shareholder approval.

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## 4 RESOLUTION 1 - CAPITAL RETURN

### 4.1 Background and overview

The Capital Return will be effected by way of an equal reduction in capital through paying Shareholders \$0.05 per Share held on 20 August 2015 (**Record Date**).



Assuming Shareholders approve the Capital Return, the payments will be made as soon as practicable after the Record Date and will be made by either direct transfer or cheque.

#### 4.2 Rational for the Capital Return

The primary purpose of the Capital Return is to distribute the Company's surplus capital to Shareholders.

The Board has considered the alternatives available to the Company regarding the application of its cash reserves, and is of the opinion that a return of capital to Shareholders should form part of the optimal use of the Company's cash reserves, for the following reasons:

- (a) The amount proposed to be returned to Shareholders (approximately \$4m) is in excess of the Company's needs;
- (b) The Board's proposed acquisition of the Torrington Project, and planned staged exploration and evaluation activities leading to possible applications for Mineral Leases are sufficiently funded with the Company's remaining cash at bank post the Capital Return; and
- (c) The Company's recent share price trading represents a discount to the Company's cash backing per share and, as such, a distribution of cash to eligible shareholders may serve to allow the market to more accurately price the listed securities of the Company.

The Board does not believe that the Capital Return will adversely affect the Company's growth plans.

#### 4.3 Advantages and disadvantages of the Capital Return

The Board considers the principle advantages of the Capital Return are as follows:

- (a) Effective capital management - the Board believes that the Capital Return represents an effective capital management strategy which is in the interests of Shareholders and will allow the Company's Share price to better reflect the value of the Company.
- (b) Tax consequences -The Board believes that the return to shareholders will comprise solely of a return of capital with no portion being attributed to a dividend payment, and has applied to the Australian Taxation Office (ATO) for a ruling to this effect. The Board expect that a positive class ruling will be issued in due course.

The Board considers the principle disadvantages of the Capital Return are as follows:

- (c) Reduced cash reserves - the Capital Return will diminish the Company's cash reserves by approximately \$4m.

- (d) Effect on Options - The Capital Return will result in a reduction of the exercise price of the Company's Options on issue by \$0.05 per Option (being the amount returned for each Share on issue). See section 4.4 for details.

#### 4.4 Effect of the Capital Return on the Company and Shareholders

Set out in Annexure 1 to this Explanatory Memorandum is the Company's reviewed Consolidated Statement of Financial Position and unaudited Consolidated pro forma Statement of Financial Position as at 31 December 2014 (prepared on the basis that the Capital Return has been affected).

The significant accounting policies upon which the Consolidated Statement of Financial Position and the pro forma Consolidated Statement of Financial Position are based are contained in the Company's 2014 Annual Report.

The Capital Return will not result in any change to the Company's capital structure or Shares on issue, and no adverse tax consequences are expected to arise for the Company as a result of the Capital Return.

#### 4.5 Effect of the Capital Return on Option holders

The Company has Options on issue with exercises prices of \$0.05 (listed Options), and \$0.1196. In accordance with the Listing Rules, the Capital Return will result in these exercise prices being reduced by \$0.05. In the case of the listed Options, the exercise price will be \$0. Holders of these Options may exercise them by simply completing an option exercise notice (available from the Company's share registry's website [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)), and do not need to pay anything.

#### 4.6 Indicative timetable and payment methods

Subject to the Corporations Act, the Company anticipates that the timetable for the Capital Return once approved by shareholders will be as follows:

Shareholders meeting	14 August 2015
Last day for trading in pre-return of capital quoted options	17 August 2015
Effective Date (Quoted options commence trading on a deferred settlement basis. Ordinary securities trade on an ex-return of capital T+3 basis)	18 August 2015
Record Date to determine entitlement under the Capital Return	20 August 2015
First day to send notice to each security holder, register securities on a post-return of capital basis and send holding statements	21 August 2015

Issue date (payment date) 27 August 2015

Trading in quoted options starts on normal T+3 basis 28 August 2015

First settlement of trades conducted on a deferred settlement basis and on a normal T+3 basis 2 September 2015

The above dates are indicative and may change, subject to the Corporations Act and ASX Listing Rules.

Shareholders may elect to receive payment by direct transfer by advising the share registry (if this has not already been done) using the enclosed Direct Credit Facility Form. The Company accepts no liability with respect to any loss as a result of a Shareholder electing to receive payment by direct transfer.

Shareholders who do not elect to receive payment by direct transfer will have a cheque sent to their address, as recorded in the Company's share register.

#### 4.7 Tax Consequences of Capital Reduction for Shareholders

This section summaries the expected tax treatment for Shareholders. This section is not intended to be an authoritative or complete analysis of the taxation laws applicable to the particular circumstances of Shareholders.

Shareholders should seek their own independent taxation advice, specific to their own circumstances, in order to determine their own tax implications resulting from the proposed Capital Return.

The Company has submitted an application to the ATO for a class ruling to confirm the taxation implications of the Capital Return, and expect to receive a favourable ruling to the effect that the return to Shareholders of \$0.05 per Share will comprise solely of a return of capital for taxation purposes, with no portion being attributed to a dividend payment.

##### (a) Income tax and capital gains implications for resident Shareholders

Receipt of the Capital Return will give rise to a capital gains tax (CGT) event for Shareholders. The income tax consequences arising on receipt of the Capital Return will depend on the Shareholder's cost base of their Shares. A Shareholder's cost base will generally be the cost of acquisition of the Shares, plus any cost incurred incidental to acquiring the Shares (such as brokerage fees and stamp duty).

A Shareholder will make a capital gain to the extent that the Capital Return exceeds the cost base of their Shares. Shareholders may be eligible for a CGT discount (of 50% for individuals and trusts and 33% for superannuation funds) in respect of any capital gain made provided the Shares were acquired at least 12 months before receipt of the Capital Return. Companies are not eligible for a CGT discount.

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Where the Capital Return does not exceed the cost base of their Shares, a Shareholder's cost base and reduced cost base of their Shares should be reduced by the amount of the Capital Return. Shareholders will not make a capital gain in this case.

(b) Income tax and capital gains implications for non-resident Shareholders

The Capital Return will not be subject to withholding tax.

Receipt of the Capital Return will give rise to a CGT event for non-resident Shareholders. The income tax consequences arising on receipt of the Capital Return will depend on the Shareholder's cost base of their Shares. A Shareholder's cost base will generally be the cost of acquisition of the Shares, plus any cost incurred incidental to acquiring the Shares (such as brokerage fees and stamp duty).

Whilst a non-resident Shareholder will make a capital gain to the extent that the Capital Return exceeds the cost base of their Shares, any such capital gain will be disregarded on the basis that no non-resident Shareholder, either alone or with associates, owns 10% or more of the shares in the Company.

Where the Capital Return does not exceed the cost base of their Shares, a Shareholder's cost base and reduced cost base of their Shares should be reduced by the amount of the Capital Return. Shareholders will not make a capital gain in this case.

The tax treatment arising for Shareholders in their country of residence will depend on the particular taxation laws in those countries. All Shareholders should confirm the tax implications arising on receipt of the Capital Return in their country of residence.

#### 4.8 Directors' interests

Below is a table that sets out the Directors' interests in the Company's securities:

At 10 July 2015	Leon Pretorius	Dennis Lovell	Josh Puckridge
Shares	5,733,332	1,000,000	7,000
Listing Options (\$0.05 expiring 23 January 2016)	1,066,667	115,708	Nil
Option (\$0.1196 expiring 28 November 2015)	Nil	Nil	Nil

## 4.9 Regulatory matters

### *Corporations Act*

Pursuant to section 256C of the Corporations Act, an equal reduction must be approved by an ordinary resolution passed at a general meeting of a company. As provided in section 256B of the Corporations Act, the Company may only reduce its share capital if the reduction:

- (a) is fair and reasonable to shareholders as a whole; and
- (b) does not materially prejudice the Company's ability to pay its creditors; and
- (c) is approved by Shareholders under section 256C of the Corporations Act.

In addition the Company must give Shareholders all information known to the Company that is material to the decision on how to vote on the Resolution.

The Capital Return is an equal reduction because it is applicable to each Shareholder in proportion to the number of Shares held and the terms of the reduction are the same for each holder of ordinary Shares. An ordinary resolution is therefore necessary to approve the proposed equal reduction of capital, under section 256C of the Corporations Act.

Resolution 1 seeks Shareholder approval for the purposes of section 256C of the Corporations Act.

### *The Company's Constitution*

Clause 20 provides that the Company may, in accordance with the Corporations Act, reduce in any manner and with, and subject to, any incident, authority or consent required by law.

### *ASX Waiver*

ASX has granted the Company a waiver of Listing Rule 7.25 to the extent necessary to permit the Company to undertake the Capital Return of \$0.05 per Share to be approved by Shareholders, even though the trading price of the Company's Shares is less than 20 cents.

## 4.10 Lodgement with ASIC

The Company has lodged with ASIC a copy of this Notice of Meeting and the Explanatory Memorandum in accordance with section 256C of the Corporations Act.

## 4.11 Other Material Information

There is no information material to a decision by a Shareholder whether or not to approve the Capital Return (being information that is known to any of the Directors and which has not previously been disclosed to Shareholders) other than as disclosed in this Explanatory Memorandum which accompanies the Notice of Meeting.

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Shareholders should seek professional advice in relation to any questions they may have arising out of this Explanatory Memorandum or the Capital Return generally.

#### 4.12 Directors' Recommendation

After considering all the relevant factors (including the advantages and disadvantages, and risks, as set out above), the Directors recommend that the Shareholders vote in favour of the Capital Return or, in their opinion, the following reasons:

- (a) after a full and proper assessment of all available information, the Capital Return is in the best interests of Shareholders;
- (b) the benefits of the Capital Return outweigh its disadvantages; and
- (c) the proposed Capital Return does not materially prejudice the Company's ability to pay its creditors, and it will not result in the Company being insolvent at the time of or after the Capital Return .

The Directors intend to vote all Shares held by them in favour of Resolution 1.

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## 5 RESOLUTION 2 - ISSUE OF SECURITIES

### 5.1 Introduction

On 15 April 2015 the Company announced the acquisition of two exploration licences in New South Wales known as the Torrington Project from Resolve. The Torrington Project is considered prospective for tungsten. The purchase price for the licences is:

- (a) A\$135,000, to be paid within 5 days of the acquisition agreement being signed and being agreed reimbursement to the vendor for past exploration expenditure (this payment has been made);
- (b) the issue of 12,000,000 Shares (Tranche 1) upon satisfaction of the Condition Precedent (with 5% of these Shares to be issued to a nominee of Resolve);
- (c) the issue of a further 6,000,000 Shares within 20 Business Days of the Company completing a preliminary feasibility study or 30 January 2016, whichever occurs first (Tranche 2); and
- (d) the issue of a further 6,000,000 Shares 20 Business Days after the Company both prepares:
  - (i) a Final Investment Decision (as defined in the agreement under which licences are being acquired) affecting the licences; and
  - (ii) applying for one or more mineral leases over the area/s of mineralisation described in the Final Investment Decision (as defined in the agreement) (Tranche 3)

any in any event, no later than 31 December 2017.

The sale and purchase of the licences is subject to a number of terms and conditions, including:

- (a) the licences being transferred to, and registered in the name of the Company or its subsidiary (**Conditions Precedent**);
- (b) the Company and the Vendor both funding expenditure requirements during the Pre-Completion Period (as defined in the agreement), including any mutually agreed exploration costs;
- (c) the Vendor signing over its voting rights to the Company for its upcoming shareholder meeting to approve the Capital Return to shareholders and also agreeing not to be entitled to participate in the Capital Return; and
- (d) the Vendor giving the following warranties:
  - (i) its 100% ownership of the Torrington Project;
  - (ii) the good standing of the tenements comprising the Torrington Project;
  - (iii) all environmental laws and other laws have been complied with; and
  - (iv) there are no existing or threatened claims or demands that have been made affecting the tenements.

If the sale and purchase of the licenses does not occur:

- (a) the payment of A\$135,000 is to be refunded by the Vendor to the Company; and
- (b) the Vendor must, within 20 Business days of a demand, reimburse the Company all money contributed by the Company in respect of Pre-Completion Period expenditures.

The parties have subsequently agreed to delay Completion until after the later of the Record Date of the Capital Return and the transfer of the licences to the Company.

Resolution 2 seeks Shareholder approval to issue up to 18,000,000 Shares to Resolve or their nominees comprising the Tranche 1 and Tranche 3 Shares. The Tranche 2 Shares will be issued using the Company's 15% capacity under listing rule 7.1.

## 5.2 Listing Rules

Listing Rule 7.1 limits the number of securities a company can issue in a 12 month period to 15% of its issued share capital, except for certain issues, including where first approved by Shareholders. The effect of passing Resolution 2 will be to allow

the Directors to issue securities in accordance with the Resolution without those securities being included in the 15% limit.

The issue of Shares the subject of Resolution 2 and the Tranche 2 Shares will occur after the Record Date for the Capital Return, and the holders of Shares issued under Resolution 2 and Tranche 2 Shares will not be eligible to participate in the Capital Return.

### 5.3 Advantages and disadvantages of the Issue of Securities

The Board considers the principle advantages of the Issue of Securities are as follows:

- (a) Shareholder approval for the issuance of securities allows the Company to maintain its 15% placement capacity under Listing Rule 7.1. This gives the Company the flexibility to raise further capital at future dates as appropriate or complete other potential acquisitions to the benefit of shareholders.

The Board considers the principle disadvantages of the Issue of Securities are as follows:

- (a) Non-Completion - there is a risk that the issuance of securities may not occur on the basis that Condition Precedents relating to the Torrington Project acquisition are not met and the acquisition does not complete. In the event that the acquisition does not complete the issuance of securities will not occur; and
- (b) Resolve become a substantial shareholder of the Company, holding approximately 12.3% after the Tranche 1 issue (assuming no further Shares are issued).

### 5.4 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the issue:

- (a) The maximum number of Shares to be issued under Tranche 1 and Tranche 3 is up to 18,000,000.
- (b) The Tranche 1 Shares will be issued within 3 months of shareholder approval. ASX has granted the Company a waiver to permit the Notice not to state that the Tranche 3 Shares will be issued within 3 months of the date of shareholder approval. Accordingly, the Tranche 3 Shares will be issued 20 Business Days after the Company preparing:
  - (i) a Final Investment Decision (as defined in the agreement under which licences are being acquired) affecting the licences; and
  - (ii) applying for one or more mineral leases over the area/s of mineralisation described in the Final Investment Decision,



and in any event, no later than 31 December 2017.

It is intended that issue will occur on the same date.

- (c) The deemed issue price for the Tranche 1 Shares is \$0.03 per Share. The Tranche 3 Shares may be issued in consideration for future performance of the assets being acquired such that it is not possible to ascribe a current value.
- (d) The securities will be issued to Resolve Geo Pty Ltd ABN 39 100 586 534 or nominee.
- (e) The securities issued are fully paid ordinary shares in the capital of the Company.
- (f) The securities are being issued in consideration for two exploration licences and no funds will be raised under the issue.
- (g) A voting exclusion statement is included in the Notice.

#### 5.5 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 2. This will give the Company flexibility to issue securities whilst preserving a portion of the Company's 15% annual limit permitted by Listing Rule 7.1.

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#### 6 RESOLUTION 3 - CHANGE OF NAME

To reflect its new exploration focus on tungsten and topaz, the Company proposes to change its name to TopTung Limited.

Section 157(1) of the Corporations Act provides that a Company wanting to change its name must pass a special resolution adopting the new name. The purpose of Resolution is to satisfy section 157(1).

The Directors each recommend that Shareholders vote in favour of Resolution 3.

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7 DEFINITIONS

In this Notice and Explanatory Memorandum:

<b>ASX</b>	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
<b>Board</b>	means the board of Directors.
<b>Business Days</b>	means a day on which trading banks are open for business in Queensland, Australia.
<b>Capital Return</b>	has the meaning given in section 3.
<b>Conditions Precedent</b>	has the meaning given in section 5.1
<b>Constitution</b>	means the constitution of the Company as amended.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth) as amended.
<b>Director</b>	means a director of the Company.
<b>Explanatory Memorandum</b>	means the explanatory memorandum attached to this Notice.
<b>Krucible or Company</b>	means Krucible Metals Limited (ACN: 118 788 846).
<b>Listing Rule</b>	means the listing rules of the ASX.
<b>Meeting or General Meeting</b>	means the meeting convened by this Notice (as adjourned from time to time).
<b>Notice</b>	means this notice of meeting.
<b>Official List</b>	means the official list of ASX.
<b>Option</b>	means an option to be issued a Share.
<b>Proxy Form</b>	means the proxy form attached to this Notice.
<b>Record Date</b>	has the meaning given in section 4.1
<b>Resolution</b>	means the resolution set out in the Notice.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.

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Shareholder	means a holder of a Share.
Torrington Project	has the meaning given in section 3.
Tranche 1	has the meaning given in section 5.1
Tranche 2	has the meaning given in section 5.1
Tranche 3	has the meaning given in section 5.1
WST	means Australian Western Standard Time.
EST	means Australian Eastern Standard Time

**1 ANNEXURE 1 - PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Reviewed Consolidated 31/12/14 (A\$)	Adjustments (A\$)	Unaudited Pro-forma Consolidated 31/12/14 (A\$)
<b>ASSETS</b>			
Cash and cash equivalents	5,777,920	(4,160,428) <sup>1</sup>	1,617,492
Financial assets	4,122,471	-	4,122,471
Other assets	55,000	-	55,000
Property, plant and equipment	799,317	-	799,317
Exploration and evaluation assets	-	495,000 <sup>2</sup>	495,000
<b>TOTAL ASSETS</b>	<b>10,754,708</b>	<b>(3,665,428)</b>	<b>7,089,280</b>
<b>LIABILITIES</b>			
Trade and other payables	126,514	-	126,514
Provisions	81,275	-	81,275
Income tax	301,436	-	301,436
Borrowings	102,943	-	102,943
Employee benefits	55,153	-	55,153
<b>TOTAL LIABILITIES</b>	<b>667,321</b>	<b>-</b>	<b>667,321</b>
<b>NET ASSETS</b>	<b>10,087,387</b>	<b>(3,665,428)</b>	<b>6,421,959</b>
<b>EQUITY</b>			
Contributed equity	11,402,653	(3,665,428) <sup>3</sup>	7,737,225
Option reserve	583,089	-	583,089
Retained profits/(Accumulated losses)	(1,898,355)	-	(1,898,355)
<b>TOTAL EQUITY</b>	<b>10,087,387</b>	<b>(3,665,428)</b>	<b>6,421,959</b>
<b>No. of Shares on issue</b>	<b>80,508,565</b>		<b>92,508,565</b>

1. Calculated as 80,508,565 ordinary Shares (this amount may vary if listed optionholders exercise the right to be issued Shares before the Record Date) each receiving A\$0.05 per Share Capital Return and the A\$135,000 reimbursement being paid to Resolve Geo Pty Ltd under Resolutions 1 & 2;
2. Representing the estimated value of the acquiring the Torrington Project through the issue of Tranche 1 12,000,000 ordinary shares at an assumed share price at the time of issue of A\$0.03 (ie consideration of \$360,000) and the reimbursement of \$135,000 of exploration and evaluation costs incurred to date by Resolve Geo Pty Ltd.

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The impact of the Tranche 2 and Tranche 3 Share issue has not been reflected in the pro forma Consolidated Statement of Financial Position as the issues are contingent on future events; and

3. Representing the 12M new Shares issued under Resolution 2 at an assumed value of \$360,000 less the Capital Return of 80,508,565 at A\$0.05 per Share.

It should be noted that the impact of further listed Options being exercised before the Record Date for the Capital Return will be neutral as the exercise price for the listed Options of A0.05 per Share is the same amount as the proposed Capital Return.

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# KRUCIBLE METALS LIMITED

ABN 12 118 788 846

## All Correspondence to:

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (EST) on Wednesday 12<sup>th</sup> August 2015**

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair 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 Chair 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.

#### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting 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

To direct your proxy how to vote, mark 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 securities are to be voted on any item by inserting the percentage or number that 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 for all your securities your vote on that item will be invalid.

#### 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.

#### 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 should 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 should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (EST) on Wednesday, 12 August 2015**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

📠 **By Fax** + 61 07 4772 4999

✉ **By Mail** PO Box 499, Hyde Park, Castletown,  
Townsville, QLD 4812, Australia

👤 **In Person** 113 Boundary St, Railway Estate, QLD  
4810, Australia

#### Attending the Meeting

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

**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 in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Krucible Metals Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at **Level 8, 46 Edward Street, Brisbane QLD 4000 on Friday 14<sup>th</sup> August 2015 at 10:00am (EST)** 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.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

**STEP 2 VOTING DIRECTIONS**

\* 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 vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Approval of Capital Reduction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Change of Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 SIGNATURE OF SHAREHOLDERS**

This form must be signed 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 / / 2015