MRG METALS LIMITED

ABN 83 148 938 532

NOTICE OF
2014 ANNUAL GENERAL MEETING
INCLUDING EXPLANATORY MEMORANDUM
AND
PROXY FORM

TIME: 1.00PM (AEST)

DATE: 28 NOVEMBER 2014

ADDRESS: Level 21, 55 Collins Street,
MELBOURNE VICTORIA 3000

This Notice of Annual General Meeting should be read in its entirety. If you are in doubt as to how to vote at the meeting you should seek advice from your accountant, solicitor or other professional advisor before voting.

Who may Vote
The Company has determined that only Shareholders holding Shares as at 7.00 p.m. (AEST) on Wednesday 26 November 2014 will be entitled to vote at the Annual General Meeting on Friday 28 November 2014 or at any adjourned meeting.

How to Vote
You may vote by attending the Annual General Meeting in person, by proxy or authorised representative.

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

If you plan on attending the Annual General Meeting, we encourage you to arrive at the venue 30 minutes prior to the time designated so that the Company may check your shareholding against the Company's Share register and note your attendance.

In order to vote in person at the Annual General Meeting, a corporation that is a Shareholder may appoint an individual to act as its representative. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring evidence of his or her appointment, including any authority under which such appointment is signed.

Voting by Proxy
You are entitled to appoint a proxy.

The proxy need not be a Shareholder of the Company.

If you are entitled to cast two (2) or more votes you may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Annual General Meeting as soon as possible so that it is received not later than 1.00pm AEST on 26 November 2014 by the Company's share registry.

Proxies can be submitted by one of the following methods:

By post:	MRG Metals Limited PO Box 237 Ballarat VIC 3353
By facsimile:	In Australia: 03 5333 1667 From outside Australia: + 61 3 5333 1667
By delivery:	MRG Metals Limited C/- RSM Bird Cameron 12 Anderson Street West Ballarat VIC 3350

Further information
Further details of the resolutions in this Notice of Annual General Meeting are contained in the Explanatory Memorandum accompanying this Notice of Annual General Meeting. The Explanatory Memorandum should be read together with and forms part of this notice.

MRG METALS LIMITED
ABN 83 148 938 532

MRG Metals Limited (**Company**) gives notice that its Annual General Meeting of Shareholders will be held at 1.00 pm AEST on 28 November 2014 at Level 21, 55 Collins Street, Melbourne Victoria 3000.

The accompanying Explanatory Memorandum provides additional information on the matters to be considered at the Annual General Meeting and forms part of this Notice of General Meeting.

Certain terms and abbreviations used in this Notice of General Meeting and the accompanying Explanatory Memorandum are defined in the Glossary.

AGENDA

ORDINARY BUSINESS

Accounts and Reports
To receive and consider the Financial Reports of the Company and the consolidated group for the financial year ended 30 June 2014, the declaration of Directors and the reports of the Directors and Auditor thereon.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (ORDINARY RESOLUTION)

The Company is submitting its Remuneration Report to Shareholders for consideration and adoption by way of non-binding resolution.

The Remuneration Report is set out in the Company's Annual Report 2014. The report explains the Board's policies in relation to the nature and level of remuneration paid to "key management personnel" of the Company and sets out remuneration details for each director. A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

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

"That the Remuneration Report set out in the Company's Annual Report for the financial year ended 30 June 2014 be approved by Shareholders."

Shareholders should note this resolution is advisory only and does not bind the Directors or the Company. Shareholders should refer to the Explanatory Memorandum accompanying this Notice for more information.

Voting exclusion:

The Company will disregard any vote cast on Resolution 1 by, or on behalf of:

(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 (**Voter**) described above may cast a vote on the resolution as a proxy if the vote is not cast on behalf of a person described above and either:

(c) the Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or

(d) the Voter is the chair of the meeting and the appointment of the chair as proxy:

(i) does not specify the way the proxy is to vote on the resolution; and

(ii) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

RESOLUTION 2 – RE-APPOINTMENT OF DIRECTOR (ORDINARY RESOLUTION)

Mr. Shane Turner is retiring by rotation pursuant to clause 15.3 of the Company's Constitution and the provisions of the Corporations Act and, being eligible, offers himself for re-appointment.

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

"That Mr. Shane Turner, having retired as a Director of the Company pursuant to clause 15.3 of the Company's Constitution and being eligible, be re-elected as a Director of the Company."

SPECIAL BUSINESS

RESOLUTION 3 – ADDITIONAL PLACEMENT FACILITY (SPECIAL RESOLUTION)

To consider and, if thought fit, to pass the following resolution as a special resolution:

"*That, for the purposes of ASX Listing Rule 7.1A and all other purposes, Shareholders approve the issue of shares up to 10% of the Company's issued share capital at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and as further described in the Explanatory Memorandum.*"

Voting exclusion:

The Company will disregard any votes cast on Resolution 3 by:

(a) any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in their capacity as a security holder; and

(b) an associate of that person (or those persons).

However, the Company need not disregard a vote if:

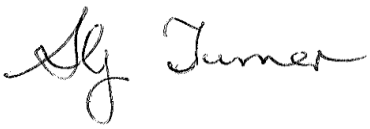
(c) it is cast by a person as proxy for a person who is entitled to vote in accordance with the direction on the proxy form; or

(d) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

OTHER BUSINESS

To consider any other business that may be brought forward in accordance with the Constitution of the Company or the law.

By Order of the Board



Shane Turner
Director/Secretary
DATED this 23 October 2014

EXPLANATORY MEMORANDUM

INTRODUCTION

This Explanatory Memorandum has been prepared for the purposes of the Corporations Act. The purpose of this Explanatory Memorandum is to provide Shareholders with all the information known to the Company that is material to Shareholders in deciding whether or not to approve the resolutions as set out in the Notice of Annual General Meeting.

The Directors recommend that Shareholders read this Explanatory Memorandum in full and in conjunction with the Notice of Annual General Meeting before making any decision in relation to the proposed resolutions.

ITEMS OF ORDINARY BUSINESS

Resolution 1 – Adoption of Remuneration Report

Under Section 250R of the Corporations Act, Shareholders have the opportunity to pass a non-binding resolution on the Remuneration Report at the Annual General Meeting and, under section 250S of the Corporations Act, the Chairman must allow the Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The Remuneration Report, which explains the Board's policies in relation to the nature and level of remuneration paid to "key management personnel" of the Company and which sets out the remuneration details for each of them, forms part of the Directors' Report included in the Annual Report for the financial year ended 30 June 2014. Accordingly, the contents of the Remuneration Report are not reproduced in this Explanatory Memorandum. Shareholders are referred to pages 14 - 16 of the Annual Report for full details of the remuneration of the Directors and Key Management Personnel.

Shareholders should note that, as specified in Section 250R of the Corporations Act, Resolution 1 is a non-binding resolution and is not binding on the Company.

However, if the vote to approve the Remuneration Report receives a "no" vote by at least 25% of the votes cast, this will constitute a "first strike". Where this occurs, the Company's subsequent Remuneration Report must include an explanation of the Board's proposed action in response to the "no" vote or an explanation as to why no action has been taken.

If:

(a) a "first strike" occurs at the Annual General Meeting; and

(b) the Company's subsequent Remuneration Report also receives a "no vote" at the 2015 Annual General Meeting of at least 25% of the votes cast,

then, at the 2015 Annual General Meeting, Shareholders will be asked to vote on a "spill resolution" under section 250V of the Corporations Act. If more than 50% of Shareholders (excluding Key Management Personnel) vote in favour of the Spill Resolution, the Company must convene an extraordinary general meeting ("Spill Meeting") within 90 days of the 2015 Annual General Meeting. All of the Directors who are in office when the Company's 2015 Directors' Report is approved, other than the Managing Director, 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, each person whose election or re-election as a Director is approved, will become a Director of the Company.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are deemed to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

Recommendation: The Board abstains from making a recommendation in relation to Resolution 1.

Resolution 2 – Re-election of Mr. Shane Turner

Mr. Shane Turner was first appointed by the Board as a Director on incorporation of the Company on 24 January 2011 and was reappointed at the 2011 Annual General Meeting, having retired by rotation. He now retires by rotation in accordance with the Company's Constitution and the ASX Listing Rules and, being eligible for re-election, offers himself for re-election at the Annual General Meeting.

Mr Turner's experience and qualifications are set out in the Annual Report.

Recommendation: The Directors (other than Mr. Turner) recommend that Shareholders vote in favour of Resolution 2.

ITEMS OF SPECIAL BUSINESS

Resolution 3 – Additional Placement Facility

1. **General**

   ASX Listing Rule 7.1A enables eligible entities to seek shareholder approval to issue shares, options and other securities as defined in the ASX Listing Rules (**Equity Securities**) up to 10% of their issued capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**).

   The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

   An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of $300 million or less. The Company is an eligible entity.

   The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

   The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as described in section 2(c) below).

2. **Description of ASX Listing Rule 7.1A**

   a. **Shareholder approval**

      The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

   b. **Equity Securities**

      Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities in the Company.

      The Company, as at the date of this Notice of Meeting, has on issue:

      i. 135,612,115 fully paid ordinary shares; and
      i. 44,007,993 September 2016 25 cent Options.

   c. **Formula for calculating 10% Placement Facility**

      ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during a 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

      (A x D) – E

      where:

A = the number of shares on issue 12 months before the date of issue or agreement:

- plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
- plus the number of partly paid shares that became fully paid in the 12 months;
- plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
- less the number of fully paid shares cancelled in the 12 months.

*Note: "A" has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D = 10%

E = the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under ASX Listing Rule 7.1 or 7.4.

d. ASX Listing Rule 7.1 and ASX Listing Rule 7.1A

The ability of an entity to issue Equity Securities under ASX Listing Rule 7.1A is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

As at the date of this Notice, the Company has on issue 135,612,115 fully paid ordinary shares and therefore has a capacity to issue:

(i) 20,341,817 Equity Securities under ASX Listing Rule 7.1; and
(ii) 13,561,211 Equity Securities under ASX Listing Rule 7.1A, subject to Shareholder approval being granted under Resolution 6.

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to section 2(c) above).

e. Minimum Issue Price

The issue price of Equity Securities issued under ASX Listing Rule 7.1A must not be less than 75% of the volume weighted average price (VWAP) of Equity Securities in the same class calculated over the 15 trading days immediately before:

i. the date on which the price at which the Equity Securities are to be issued is agreed; or

ii. if the Equity Securities are not issued within 5 trading days of the date specified in paragraph (i) above, the date on which the Equity Securities are issued.

f. 10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

i. the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or

ii. the date of the approval by shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

3. ASX Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

4. Specific information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

a. Minimum issue price

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 trading days immediately before:

i. the date on which the price at which the Equity Securities are to be issued is agreed; or
ii. if the Equity Securities are not issued within 5 trading days of the date in paragraph (i), the date on which the Equity Securities are issued.

b. Risk of dilution

If Resolution 3 is approved and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below.

There is also a risk that:

i. the market price for the Company's Shares may be significantly lower on the date of the issue of Equity Securities than on the date of the approval of Resolution 3; and
ii. the Equity Securities may be issued at a price that is at a discount to the market price for Shares on the date that they are issued or the Equity Securities are issued as part of the consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of Equity Securities.

The following table below shows:

i. 2 examples where the variable 'A' has increased by 50% and 100%. Variable 'A' is based on the number of ordinary securities that the Company has on issue as at 20 October 2014. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (eg a pro rata entitlements issue) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

ii. 2 examples where the issue price of ordinary shares has decreased by 50% and increased by 50% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		$0.06 **50% decrease in Issue Price**	$0.12 **Issue Price**	$0.18 **50% increase in Issue Price**
Current variable 'A' – 135,612,115	10% voting dilution	13,561,211	13,561,211	13,561,211
	Funds raised	$813,673.00	$1,627,346.00	$2,441,019.00
50% increase in current variable 'A' – 20,341,817	10% voting dilution	20,341,817	20,341,817	20,341,817
	Funds raised	$1,220,509.00	$2,441,018.00	$3,661,527.00
100% increase in current variable 'A' – 271,224,230	10% voting dilution	27,122,423	27,122,423	27,122,423
	Funds raised	$1,627,345.00	$3,254,690.00	$4,882,035.00

*Note: the previous table has been prepared on the following assumptions:

i. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
ii. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
iii. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the issue of Equity Securities, based on that Shareholder's holding as at the date of the Meeting.
iv. The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A and not the issue of shares under the 15% placement power under ASX Listing Rule 7.1.
v. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes options, it is assumed that those options are exercised into shares for the purpose of calculating the voting dilution effect on existing Shareholders.
vi. The issue price is $0.12, being the closing price of Shares on ASX on 20 October 2014.

c. Timing of issue

The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

d. Purpose of issue

The Company may seek to issue the Equity Securities for the following purposes:

i. non-cash consideration for the acquisition of new businesses and investments. In such circumstances, the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or

ii. cash consideration. In such circumstances, the Company intends to use funds raised to fund an acquisition of new businesses or investments (including expenses associated with such acquisition), to reduce existing debt and/or for general working capital purposes.

Once an issue of Equity Securities has occurred, the Company will make the appropriate disclosure to the market (see below).

e. Allocation policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:

i. the methods of raising funds that are available to the Company, including but not limited to rights issues or other issues in which existing security holders can participate;

ii. the effect of the issue of Equity Securities on the control of the Company;

iii. the financial situation and solvency of the Company; and

iv. advice from corporate, financial and broking advisors (if available).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new businesses, assets or investments, it is possible that the allottees under the 10% Placement Facility may include vendors of the new businesses, assets or investments.

f. Prior issues

The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its 2013 Annual General Meeting.

g. Previous issues of Equity Securities

In the 12 months preceding the date of the Annual General Meeting, the Company issued 2,446,115 Shares, representing 1.8% of the total number of Equity Securities on issue at the commencement of that 12 month period.

2,000,000 Shares were issued to Calatos Pty Ltd. These Shares were issued in accordance with the resolution passed at the 2013 Annual General Meeting. They were issued at the closing market price on the day of issue for no cash consideration and in recognition of the ongoing commitment and contribution to the Company.

446,115 Shares were issued to TasEx Geological Services Pty Ltd as announced to the market on 23 June 2014. They were issued based on a 30 day volume weighted average price and a value of $50,000. Together with cash consideration of $25,000; the total payment was $75,000 to obtain an Option to acquire mining tenements.

h. Voting exclusion

A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder to participate in the issue of Equity Securities. Therefore, no existing Shareholders' votes will be excluded under the voting exclusion in this Notice.

5. Post-issue disclosure

In accordance with ASX Listing Rule 3.10, if Equity Securities are issued under this approval, the Company will make an announcement to the ASX with the following additional information:

a. details of the dilution to existing Shareholders as a result of the issue;

b. where the Equity Securities were issued for cash consideration, an explanation as to why the Company issued Equity Securities in this manner, as opposed to (or in addition to) a pro-rata offering;

c. details of any underwriting arrangements including the fees payable to the underwriter; and

d. details of any other fees incurred in connection with the issue.

Recommendation: The Board believes that Resolution 3 is in the best interests of the Company and unanimously recommends that Shareholders vote in favour of this resolution.

OTHER INFORMATION

The Board is not aware of any other information which is relevant to the consideration by Shareholders of the proposed Resolutions which are detailed in the Notice. Prior to making any decision, Shareholders may wish to seek advice from their own independent financial adviser or stockbroker as to the effect of the proposed Resolutions.

DIRECTORS' APPROVALS AND RECOMMENDATIONS

To the extent permitted by law, it is the intention of the Chairman of the Meeting to vote all undirected proxies granted to him in favour of the Resolutions.

GLOSSARY

In the Notice of Meeting and Explanatory Memorandum, unless the context otherwise requires:

$ means Australian dollars.

AEST means Australian Eastern Summer Time as observed in Melbourne, VIC.

Annual General Meeting means the meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Melbourne, Australia.

Board means the current board of directors of the Company.

Chairman means the chairman of the meeting.

Company means MRG Metals Limited.

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the current directors of the Company.

Explanatory Memorandum means the explanatory memorandum accompanying the Notice of Meeting.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Memorandum.

Proxy Form means the form accompanying this Notice of Meeting.

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

Shareholder means a holder of a Share.