



Notice of Annual General Meeting and Explanatory Memorandum

International Base Metals Limited

ACN 100 373 635

Date: 15 DECEMBER 2009
Time: 2.00pm (AEST)
Place: Level 8, 275 George Street
SYDNEY NSW 2000

International Base Metals Limited
ACN 100 373 635

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of shareholders of **International Base Metals Limited (Company or IBML)** will be held at 2.00pm (**AEST**) on 15 DECEMBER 2009 at Level 8, 275 George Street, SYDNEY NSW 2000.

The accompanying Explanatory Memorandum and Proxy Form provide additional information relating to matters to be considered at the meeting, and form part of this notice of general meeting.

AGENDA

ANNUAL FINANCIAL REPORT – YEAR ENDED 30 JUNE 2009

To receive and consider the Directors' Report, the Auditor's Report, and the Financial Report in respect of the year ended 30 June 2009.

RESOLUTION 1 – RE-ELECTION OF DIRECTOR – DR DENG JINIU

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

“That, for the purpose of clause 8.3 of the Constitution and for all other purposes, Dr Deng Jiniu, a Director who retires by rotation, and being eligible, is re-elected as a Director.”

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR ALAN HUMPHRIS

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

“That, for the purpose of clause 8.1 of the Constitution and for all other purposes, Mr Alan Humphris, a Director who was appointed to fill a casual vacancy (effective as from 30 July 2009), retires, and being eligible, is re-elected as a Director.”

RESOLUTION 3 – ADOPTION OF REMUNERATION REPORT

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

“That the remuneration report as contained within the Directors' Report and forming part of the Company's 2009 Annual Report, which accompanies the Notice convening this meeting, be adopted”

RESOLUTION 4 – CHANGE OF AUDITOR

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

Resignation of BDO Audit (WA) Pty Ltd [formerly BDO Kendalls Audit & Assurance (WA) Pty Ltd] as Auditor

Appointment of BDO Audit (NSW-VIC) Pty Ltd as Auditor

The Directors have considered the audit services and wish to transfer the audit from BDO's Perth office to BDO's Sydney office and have agreed to put the following Resolution to the Members at the forthcoming Annual General Meeting.

That:

1. Having been advised by the Directors that BDO Kendalls Audit & Assurance (WA) Pty Ltd, having first obtained the consent of the Australian Securities & Investments Commission to do so, have resigned as Auditor of the Company;
2. BDO Audit (NSW-VIC) Pty Ltd:
 - (a) Having been, Nominated by a Member of the Company, in accordance with s.328B(1) of the Corporations Act 2001; and
 - (b) Having given its Consent to Act as Auditor, in accordance with s.328A(1) of the Corporations Act, to the Directors;be appointed as the Auditor of the Company.

Dated: 23 November 2009

By order of the Board



John Stone
Company Secretary

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 Level 8, 275 George Street Sydney, 2.00pm AEST on the 15th December 2009.

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 Resolution in the Notice of Meeting.

1. Annual Financial Reports

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 2009 together with the declaration of the directors, the director's report, the remuneration report and the auditor's report.

The Company is not required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. However, shareholders may view the Company annual financial report on its website www.interbasemetals.com

2. Resolution 1 – Re-election of Director , Dr Deng Jiniu

Clause 8.3 of the Constitution requires that if the Company has three or more Directors, one third (or the number nearest one-third) of those Directors must retire at each annual general meeting, provided always that no Director (except the Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting followed by his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

A Director who retires by rotation under clause 8.3 of the Constitution is eligible for re-election.

Dr Deng Jiniu retires by rotation and seeks re-election.

3. Resolution 2 – Re-election of Director , Mr Alan Humphris

Clause 8.1 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election.

4. Resolution 3 - Adoption of the Remuneration Report

The Remuneration Report is set out in the Director's 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.

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Company at the Annual General Meeting. However,

Shareholders should note that the vote on Resolution 3 is advisory only and is not binding on the Company and its Directors.

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

5. Resolution 4 – Appointment of Auditor

BDO Audit (WA) Pty Ltd has tendered its resignation as auditor to the Company and it has advised the Company that it has applied to the Australian Securities and Investment Commission (ASIC) for consent to resign effective from 9 November 2009. It is anticipated that BDO Audit (WA) Pty Ltd's resignation will take effect from the later of that date or the day on which ASIC gives its consent.

The Company proposes, subject to ASIC consenting to the resignation of BDO Audit (WA) Pty Ltd, to appoint BDO Audit (NSW-VIC) Pty Ltd as the auditor of the Company. In accordance with section 328B(1) of the Corporations Act 2001 (Cth), notice in writing nominating BDO Audit (NSW-VIC) Pty Ltd as auditor has been given to the Company by a Shareholder.

The Company's expectation is that ASIC's consent will be forthcoming prior to the date of the Annual General Meeting.

Accordingly, Resolution 4 seeks Shareholder approval to the appointment of BDO Audit (NSW-VIC) Pty Ltd of Level 19,2 Market Street, Sydney NSW 2000 to the office of auditor of the Company. BDO Audit (NSW-VIC) Pty Ltd has consented in writing to its appointment.

If this Resolution is passed, the appointment of BDO Audit (NSW-VIC) Pty Ltd as the Company's auditor will take effect at the close of the Meeting or upon receipt of ASIC's consent to the resignation of BDO Audit (WA) Pty Ltd, whichever is the latter.

6. Enquiries

Shareholders are requested to contact the Company Secretary John Stone on + 61 2 8223 3777 if they have any queries in respect of the matters set out in these documents.

Glossary

Annual General Meeting or Meeting means the meeting convened by the notice.

ASIC means the Australian Securities and Investments Commission.

ASX means Australia Securities Exchange Limited

ASX Listing Rules means the Listing Rules of ASX.

Board means the board of directors of the Company.

Business Day means Monday to Friday inclusive, except public holidays

Company means International Base Metals Limited (ABN 73 100 373 635)

Constitution means the Company's constitution

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Notice of Meeting or Notice of Annual General Meeting means this notice of annual general meeting including the Explanatory Statement

Remuneration Report means the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2009.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires

Share means a share in the Company