



AMMTEC LIMITED

ABN 23 063 332 516

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

Annual General Meeting to be held at the Goldsworthy Room
Sheraton Perth Hotel, 207 Adelaide Terrace, Perth
On Friday 9 October 2009 commencing at 10.00am (WST)

The notice of annual general meeting, explanatory statement and proxy form should be read in their entirety. If you are in doubt about how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.



NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

Notice is given that the Annual General Meeting (Meeting) of Shareholders of Ammtec Limited (the Company) will be held at the Goldsworthy Room, Sheraton Perth Hotel, 207 Adelaide Terrace, Perth on Friday 9 October 2009 commencing at 10.00am (WST).

AGENDA

Annual Financial Report

To receive and consider the Annual Financial Report, the Directors' Report and the Auditors' report for the financial year ended 30 June 2009.

RESOLUTIONS

1. Approval of the Remuneration Report – Non Binding Vote

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

"That, the Company's Remuneration Report for the year ended 30 June 2009 (set out in the Directors' Report) be adopted."

2. Election of Non-executive Director – Peter Rowe

Peter Rowe was appointed as a Director by the Board in February 2009 and offers himself for election as a Non-executive Director.

3. Re-election of Non-Executive Director – Ross Norgard

Ross Norgard retires in accordance with Clause 74.1 of the Company's Constitution and, being eligible, offers himself for re-election

4. Options Granted to Rod Smith

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

"That for the purposes of ASX Listing Rule 10.14, and for all other purposes, approval is given for the grant of up to 600,000 options to Rod Smith, an Executive Director of the Company, under the Ammtec Limited Employee Share Option Plan, on the terms described in the Explanatory Statement which forms part of this Notice of Meeting."

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes on Resolution 4 by any Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and their associates.

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 directions on the proxy form; or*
- (b) 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.*



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5. Options Granted to Ron Grogan

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

"That for the purposes of ASX Listing Rule 10.14, and for all other purposes, approval is given for the grant of up to 300,000 options to Ron Grogan, an Executive Director of the Company, under the Ammtec Limited Employee Share Option Plan, on the terms described in the Explanatory Statement which forms part of this Notice of Meeting."

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes on Resolution 5 by any Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and their associates.

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 directions on the proxy form; or*
- (b) 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.*

6. Options Granted to Hamid Sheriff

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

"That for the purposes of ASX Listing Rule 10.14, and for all other purposes, approval is given for the grant of up to 300,000 options to Hamid Sheriff, an Executive Director of the Company, under the Ammtec Limited Employee Share Option Plan, on the terms described in the Explanatory Statement which forms part of this Notice of Meeting."

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes on Resolution 6 by any Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and their associates.

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 directions on the proxy form; or*
- (b) 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.*

OTHER BUSINESS

In accordance with the Corporations Act, a reasonable opportunity will be given to shareholders, as a whole, to ask questions or make comments at the meeting on the management of the Company.

BY ORDER OF THE BOARD

Sharyn Long
Company Secretary
7 September 2009



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NOTES

These notes form part of the Notice of Annual General Meeting.

Voting Entitlements

The directors have determined that for the purpose of voting at the Meeting, members eligible to vote at the meeting are those persons who are the registered holders of shares at 10.00am (WST) on 7 October 2009.

How to Vote

You may vote by attending the Meeting in person, by proxy or by an authorised representative.

Voting in Person

To vote in person, attend the meeting on the date and at the place set out above. Members are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that the company may check their shareholding against the company's share register and note attendances.

Voting by Proxy

A shareholder has the right to appoint a proxy, who need not be a shareholder of the company. A proxy can be an individual or a body corporate. A body corporate appointed as a shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

If a shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise.

To vote by proxy, the Proxy Form (together with the original of any power of attorney or other authority, if any, or certified copy of that power of attorney or other authority under which the proxy is signed) must be received by the Company Secretary of Ammtec Limited no later than 10.00am (WST) Wednesday 7 October 2009. Proxy Forms must be received before that time via the following methods:

BY POST: Ammtec Ltd PO Box 7497 Cloisters Square WA 6850	or BY FACSIMILE: +61 8 9481 4430	or BY EMAIL: slong@ammtec.com.au Note: Only a scanned copy of the original proxy form can be accepted.	or BY HAND DELIVERY: Sharyn Long Chartered Accountants Level 6 216 St Georges Terrace Perth WA 6000
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Enquiries

Shareholders are invited to contact the Company Secretary, Sharyn Long, on +61 8 9481 4420 if they have any queries in respect of the matters set out in these documents.



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EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the Annual General Meeting of the Company and provides Shareholders with the information required to be provided to Shareholders by the Corporations Act 2001 and the Listing Rules of the Australian Stock Exchange Limited (ASX Listing Rules).

Annual Financial Report

The Corporations Act 2001 requires that Shareholders view the annual company and consolidated financial statements and reports of the directors and auditors every year. Shareholders will be given the opportunity to ask questions of the directors and the auditors in relation to the financial statements that have been provided to Shareholders. The Managing Director will also provide a presentation for shareholders on the results for the year. No resolution is required to be moved in respect of this item.

The Auditor will be available at the meeting to answer any questions in relation to the Auditor's Report or the conduct of the audit of the Financial Report.

1. Approval of the Remuneration Report – Non Binding Vote

The Remuneration Report for the financial year ended 30 June 2009 is set out in the Directors' Report of the 2009 Annual Report. Section 250R(2) of the Corporations Act 2001 requires companies to put an advisory resolution to their members that the Remuneration Report be adopted. Pursuant to Section 250R(3) of the Corporations Act 2001 shareholders should note that Resolution 1 is an "advisory only" resolution which does not bind the directors or the Company. During the consideration of this item, there will be an opportunity for shareholders to comment on and ask questions about the Company's Remuneration Report.

The Board unanimously recommends that Shareholders vote in favour of this Advisory Resolution.

2. Election of Non-executive Director – Peter Rowe

Peter Rowe was appointed as a Director by the Board in February 2009 and offers himself for election as a Non-executive Director.

Peter Rowe holds a chemical engineering degree and has extensive international mining experience. He is a Fellow of the Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Company Directors.

Peter commenced his career with Anglo American and De Beers before relocating to Australia where he held a number of senior managerial positions. These included project director of the Fimiston expansion, general manager of the Boddington Gold Mine and managing director and CEO of Bulong Nickel. He is also a past chairman of the Australian Gold Council.

He is a current non-executive director of Ironclad Mining Limited, Adamus Resources Limited and Red 5 Limited and is non-executive chairman of Millenium Minerals Limited.

*The Board, other than Peter Rowe recommends that Shareholders vote in favour of this Resolution.
The Chairman of the meeting intends to vote undirected proxies in favour of the election of Peter Rowe.*



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3. Re-election of Non-Executive Director – Ross Norgard

Ross Norgard has been a director since 1994.

Ross Norgard is a Fellow of the Institute of Chartered Accountants. He is the past Chairman of the Western Australian Professional Standards Committee and the Western Australian Professional Development Committee of the Institute of Chartered Accountants. Ross is the founding Chairman of Ipernica Limited and Chairman of Brockman Resources Ltd.

The Board, other than Ross Norgard recommends that Shareholders vote in favour of this Resolution. The Chairman of the meeting intends to vote undirected proxies in favour of the re-election of Ross Norgard.

4, 5 and 6. Options Granted to Rod Smith, Ron Grogan and Hamid Sheriff under the Ammtec Limited Employee Share Option Plan

Resolutions 4, 5 and 6 seek Shareholder approval to issue Options to three Executive Directors, Rod Smith, Ron Grogan and Hamid Sheriff, under the Ammtec Limited Employee Share Option Plan (ESOP).

The Board wishes to grant its Executive Directors with Options as an incentive, as follows:

Options	Expiry	Vesting Conditions
Rod Smith (Resolution 4) 600,000 Options @ an exercise price that represents the volume weighted average market price of the shares over the five days preceding the issue or some other higher price as determined by the Board and are exercisable upon satisfaction of Vesting Conditions	September 2014	Refer below
Ron Grogan (Resolution 5) 300,000 Options @ an exercise price that represents the volume weighted average market price of the shares over the five days preceding the issue or some other higher price as determined by the Board and are exercisable upon satisfaction of Vesting Conditions	September 2014	Refer below
Hamid Sheriff (Resolution 6) 300,000 Options @ an exercise price that represents the volume weighted average market price of the shares over the five days preceding the issue or some other higher price as determined by the Board and are exercisable upon satisfaction of Vesting Conditions	September 2014	Refer below



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Vesting Conditions

The vesting conditions for the 2009 Award to executives (including the Executive Directors) will be a dual test of Earnings Per Share (EPS) and Relative Total Shareholder Return (RTSR) (Vesting Conditions).

The Board considered it appropriate to have a dual test since:

- an EPS component rewards achievement against a target which is within management's influence, thereby focusing executives on the Company's key business drivers; while
- a RTSR component provides both an additional challenging test (where reward is only delivered for 'out-performing' a target) plus transparency for external stakeholders.

The Board believes that the dual tests, if achieved, will demonstrably aid the creation of shareholder value.

The options are tested only after a three year period and will not vest unless the vesting conditions are met.

Each Vesting Condition is weighted evenly with vesting details as follows:

EARNINGS PER SHARE TARGET (50%)		RELATIVE TOTAL SHAREHOLDER RETURN TARGET (50%)	
EPS growth above target*	Options to vest	TSR growth above target**	Options to vest
< 10%	Nil	<50 th percentile	0
By 10%	50%	At 50.1 th percentile	50%
Between 10% and 20%	An additional 5% for each 1% increment (straight line vesting)	Between > 50 th and 75 th percentile	2% for each 1 percentile increase (straight line vesting)
By 20%	100%	>75 th percentile	100%
Between 20% and 30%	An additional 2.5% for each 1% increment (straight line vesting)		
By 30%	125%		

* Target is EPS from prior year adjusted for one off transactions in that year.

** Target is constituents of comparator group of entities (comparators based on operations and market capitalisation) as listed in Appendix 1.



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Legislative Requirements

Pursuant to the requirements of ASX Listing Rule 10.14 and 10.15, the following information is provided with regard to Rod Smith, Ron Grogan and Hamid Sheriff and Resolutions 4, 5 and 6 respectively:

- Rod Smith, Ron Grogan and Hamid Sheriff are Executive Directors of the Company and under Listing Rule 10.15A are the only persons referred to in Listing Rule 10.14 entitled to participate in the ESOP.
- Rod Smith will be granted 600,000 Options. The Options are Options over Ordinary Shares which may be converted on a one-for-one basis; therefore he may receive up to 600,000 Shares upon the conversion of Options.
- Ron Grogan will be granted 300,000 Options. The Options are Options over Ordinary Shares which may be converted on a one-for-one basis; therefore he may receive up to 300,000 Shares upon the conversion of Options.
- Hamid Sheriff will be granted 300,000 Options. The Options are Options over Ordinary Shares which may be converted on a one-for-one basis; therefore he may receive up to 300,000 Shares upon the conversion of Options
- The Options will be issued at no cost to Rod Smith, Hamid Sheriff and Ron Grogan under the ESOP. Options may be exercised at an exercise price which reflects the volume weighted average market price of the shares over the 5 trading days preceding their date of issue or some other higher price as determined by the Board.
- Options may only be exercised if performance conditions are met.
- Options will be allotted in accordance with the rules of the ESOP.
- Under the ESOP Rod Smith received 600,000 options, Ron Grogan received 300,000 options and Hamid Sheriff received 300,000 options in November 2008. No other Directors or their associates have received any options since the last approval granted.
- A Voting Exclusion Statement is set out under Resolutions 4, 5 and 6 in the Notice of Meeting.
- There is no loan attaching to the offer under the Plan.
- If approved, the Company will allot the Options no later than 8 November 2009.



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Appendix 1

COMPARATOR GROUP OF ENTITIES

COMPANY NAME (ASX CODE)

AJ Lucas Group Limited (AJL)	MacMahon Holdings Limited (MAH)
Alesco Corporation Limited (ALS)	Maxitrans Industries Limited (MXI)
AMMTEC Limited (AEC)	Metal Storm Limited (MST)
Austal Limited (ASB)	Monadelphous Group Limited (MND)
Australian Infrastructure Fund (AIX)	PMP Limited (PMP)
Bisalloy Steel Group Limited (BIS)	Programmed Maintenance Services Limited (PRG)
Boom Logistics Limited (BOL)	Reece Australia Limited (REH)
Bradken Limited (BKN)	SAI Global (SAI)
Cabcharge Australia Limited (CAB)	Salmat Limited (SLM)
Campbell Brothers Limited (CPB)	Service Stream Limited (SSM)
Clarius Group Limited (CND)	Skilled Group Limited (SKE)
Clough Limited (CLO)	Spotless Group Limited (SPT)
CMI Limited (CMI)	Staging Connections Group Limited (STG)
Coffey International Limited (COF)	Steamships Trading Company Limited (SST)
Collection House Limited (CLH)	Talent2 International Limited (TWO)
Connecteast Group (CEU)	Transfield Services Limited (TSE)
Corporate Express Australia Limited (CXP)	TZ Limited (TZL)
Crane Group Limited (CRG)	United Group Limited (UGL)
Credit Corp Group Limited (CCP)	Virgin Blue Holdings Limited (VBA)
Downer EDI Limited (DOW)	WHK Group Limited (WHG)
Electro Optic Systems Holdings Limited (EOS)	
Espreon Limited (EON)	
GRD Limited (GRD)	
GWA International Limited (GWT)	
HGL Limited (HNG)	
Hills Industries Limited (HIL)	
K & S Corporation Limited (KSC)	

000001 000 AEC
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Ammtec Ltd
PO Box 7497
Cloisters Square
WA 6850

Alternatively you can fax your form to
(within Australia) (08) 9481 4430
(outside Australia) +61 8 9481 4430

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

 **For your vote to be effective it must be received by 10:00am (WST) Wednesday 7 October 2009.**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View the annual report:

www.ammtec.com.au

Update your securityholding, 24 hours a day, 7 days a week:

www.investorcentre.com

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Ammtec Limited hereby appoint

the Chairman of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting 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) at the Annual General Meeting of Ammtec Limited to be held at Goldsworthy Room, Sheraton Perth Hotel, 207 Adelaide Terrace Perth Western Australia on Friday 9 October 2009 at 10.00am (WST) and at any adjournment of that meeting.

Important for Resolutions 4, 5 & 6: If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Resolutions 4, 5 & 6 below, please mark the box in this section. 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 Resolutions 4, 5 & 6 and your votes will not be counted in computing the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolutions 4, 5 & 6 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Approval of the Remuneration Report - Non Binding Vote	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Election of Non-Executive Director - Peter Rowe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-Election of Non-Executive Director - Ross Norgard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Options Granted to Rod Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Options Granted to Ron Grogan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Options Granted to Hamid Sheriff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____