

MAGNUM MINING AND EXPLORATION LIMITED

ABN 70 003 170 376

NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY MEMORANDUM

Date of Meeting: 29 May 2009
Time of Meeting: 1.00 pm (WST)
Place of Meeting: Celtic Club
48 Ord Street
West Perth
WA 6005

This Notice of Annual General Meeting and Explanatory Memorandum should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

NOTICE OF ANNUAL GENERAL MEETING
MAGNUM MINING AND EXPLORATION LIMITED
ABN 70 003 170 376

Notice is hereby given that the Annual General Meeting of Magnum Mining and Exploration Limited ("**Magnum**" or "**Company**") will be held at 48 Ord Street, West Perth on 29 May 2009 at 1.00pm to conduct the following business.

The Explanatory Memorandum which accompanies and forms part of this Notice of Meeting describes the various matters to be considered and contains a glossary of defined terms that are not defined in fill in this Notice of Meeting.

AGENDA

Financial Statements and Reports

To receive and consider the financial statements, the Directors' reports and auditor's report for the Company and its controlled entities for the year ended 31 December 2008.

RESOLUTIONS

1. Adoption of Remuneration Report

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

"That the remunerations report for the Company and its controlled entities for the year ended 31 December 2008 be adopted"

The vote on this resolution is advisory only and does not bind the directors or the Company.

2. Re-election of Mr Gerard Nealon as a Director

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

"That Mr Gerard Nealon, who retires by rotation in accordance with the Company's constitution and being eligible, offers himself for re-election, be re-elected as a Director."

Other Business

To transact any other business that may be lawfully brought forward in accordance with the constitution of the Company and the Corporations Act.

BY ORDER OF THE BOARD

A handwritten signature in cursive script that reads "G. Button".

Grant Button
Director

9 April 2009

EXPLANATORY MEMORANDUM
MAGNUM MINING AND EXPLORATION LIMITED
ABN 70 003 170 376

1. Financial Report and Directors' Report

The Corporations Act and the constitution of the Company require the following reports in respect to the financial year of the Company ended 31 December 2008 to be laid before the meeting:

- The Financial Report (which includes the financial statements and Directors' declaration); and
- The Directors' Report, the Corporate Governance Statement and the Auditor's Report.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on these Reports and on the business, operations and management of the Company and the consolidated group.

There is no requirement in the Corporations Act or in the Company's constitution for shareholders to approve the Financial Statements and Reports.

2. Resolution 1 - Remuneration Report

The Corporations Act requires that the section of the Directors' Report dealing with the remuneration of the Directors and senior executives ("**Remuneration Report**") be put to shareholders.

This resolution is an 'advisory only' resolution which does not bind the Directors or the Company.

Following consideration of the Remuneration Report, the Chairman will give Shareholders a reasonable opportunity to ask questions about or make comments upon the Remuneration Report.

3. Resolution 2 - Re-election of Mr Gerard Nealon

It is a requirement under Rule 5.1 of the Company's constitution that Mr Nealon retire at the Annual General Meeting. Mr Nealon, being eligible for re-election pursuant to the Company's constitution, offers himself for re-election.

The remaining directors recommend to shareholders that Mr Nealon be re-elected.

Glossary of Terms

The following terms and abbreviations used in the Notice of Meeting and this Explanatory Memorandum have the following meanings:

"**Annual General Meeting**" or "**Meeting**" means the annual general meeting of Shareholders to be held at 48 Ord Street, West Perth on 29 May 2009 at 1.00pm or any adjournment thereof.

"**ASX**" means ASX Limited ACN 008 624 691.

"**Board**" means the board of Directors.

"**Company**" and "**Magnum**" means Magnum Mining and Exploration Limited ABN 70 003 170 376.

"**Corporations Act**" means the *Corporations Act 2001* (Commonwealth).

"**Directors**" means the directors of the Company, from time to time.

"**Explanatory Memorandum**" means this explanatory memorandum.

"**Notice of Meeting**" means the notice of Meeting which accompanies the Explanatory Memorandum.

"**Resolution**" means a resolution in this Notice of Meeting.

"**Shareholders**" means registered holders of Shares.

"**Shares**" means fully paid ordinary shares in the capital of the Company.

Proxies

If you are unable to attend and vote at the meeting and wish to appoint a person who is attending as your proxy, please complete the enclosed form of proxy. This form must be received by the company by 1.00pm (WST) on 27 May 2009.

The completed form of proxy may be:

1. Mailed to Magnum Mining and Exploration Limited, PO Box 1346, West Perth WA 6872, or
2. Faxed to Magnum Mining and Exploration Limited on (08) 9481 5044.

A member entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. A proxy need not be a member of the company.

MAGNUM MINING AND EXPLORATION LIMITED

ABN 70 003 170 376

FORM OF PROXY

The Secretary
Magnum Mining and Exploration Limited
Level 4, HPPL House
28-42 Ventnor Avenue
West Perth WA 6005

I/We _____
(print shareholder(s) name(s))

of _____
(print address of shareholder(s))

being a member/members of Magnum Mining and Exploration Limited hereby appoint

(print proxy's name in full)

of _____
(print proxy's address)

and (if you wish to appoint two proxies) _____
(print second proxy's name in full)

of _____
(print second proxy's address)

or, in the proxy's/proxies' absence or if no other appointee is mentioned, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting of the company to be held on 29 May 2009 and at any adjournment of that meeting.

I/We desire to vote on the resolutions as indicated below:-

Please indicate with an X how you wish your vote to be cast. Unless otherwise instructed, the proxy may vote as he/she thinks fit. The resolutions are numbered as in the notice of meeting.

Item	For	Against	Abstain
1. To adopt the remuneration report			
2. Re-election of Mr G.A Nealon as a director			

Voting of Chairman

In relation to undirected proxies, the Chairman intends to vote in favour of each resolution.

*If the Chair of the meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box.*

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

Signed this _____ day of _____ 2009.

Signature(s) of members(s)

- NOTES:
1. If you have appointed two proxies please indicate what proportion of your voting rights each proxy is to represent.
 2. If the appointment of a proxy is signed by the appointer’s attorney, this form must be accompanied by the authority under which the appointment was signed, or a certified copy of the authority.

The completed form of proxy may be:

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2. faxed to Magnum Mining and Exploration Limited on (08) 9481 5044.