

7 May 2020

Dear Option Holder,

EXPIRY OF OPTIONS - MLSOA

You are the registered holder of the above-mentioned listed options in METALS AUSTRALIA LIMITED (MLS) expiring on 31 May 2020.

1. These options entitle you to acquire one fully paid ordinary share in the capital of MLS for each option you choose to exercise.
2. The exercise price of these options is 1 cent each (A\$0.01).
3. The due date for payment is 5.00pm WST on 31 May 2020 (**Due Date**).
4. There is no obligation upon the holder to exercise their options, however if payment is not received by the Due Date the options will lapse and all rights under the options will cease at that time.
5. The options will cease to be quoted on ASX from close of trading on 26 May 2020.
6. The market price of ordinary fully paid shares in MLS on Australian Securities Exchange (**ASX**) was \$0.001 on 6 May 2020, being the last trading day in MLS prior to the dispatch of this letter.
7. During the three months preceding the date of this notice the highest market price of ordinary fully paid shares in MLS on the ASX was \$0.002 on 10 February 2020, 24 February 2020 and 6 March 2020, and the lowest market price was \$0.001 for the remaining traded days within that three month period.

If you wish to exercise your options, then you must complete an application for shares on exercise of options and forward it together with payment of \$0.01 per option exercised to be received no later than 5.00pm WST on 31 May 2020 to the Company's share registrar.

Advanced Share Registry Ltd

PO BOX 1156

Nedlands, WA, 6909.

The Company encourages you to seek your own professional advice in deciding whether or not to exercise your options.

If you have any questions regarding the exercise of your options, please contact Advanced Share Registry on +61 8 9389 8033 or 1300 113 258.

Sincerely,

Martin Stein
Company Secretary

APPLICATION FOR SHARES UPON EXERCISE OF OPTIONS

I/ We, Mr/ Mrs/
Miss

Address _____ First Names/ Company Name _____ Surname/ Australian Company Number _____
Postcode _____

(Please complete full name and address)

Contact Telephone Number _____

The registered holder(s) of the Options hereby exercise my/our Option for: _____
In figures In words

Ordinary Fully Paid Shares at an exercise price of 1 cent each and enclose application money \$.....
(amount payable on exercise)

I/We whose full name(s) and address(es) appear above hereby apply for the number of Shares shown above. I/We agree to be bound by the Constitution of the Company.

Securityholder Reference Number (S.R.N.) _____ Complete this only if you are Issuer Sponsored.

Holder Identification Number (H.I.N.) _____ Complete this only if you are CHESS Sponsored.

Signature Of Shareholder(s) (All joint holders must sign)	Companies Only - Executed in accordance with the Company's Constitution and the Corporations Law.
x----- Signature Date	x----- Sole Director and Sole Secretary Date
x----- Signature Date	x----- Director Date x----- Secretary Date
x----- Signature Date	x----- Director Date x----- Director Date

Note: If signed under Power of Attorney, a Certified Copy of the relevant Power of Attorney document must be exhibited to the Registry. The Attorney declares that he/she has had no notice of revocation of the Power of Attorney.

The terms and conditions of the Options are as follows:

- Each Option gives the Optionholder the right to subscribe for one Share upon exercise of the Option.
- Each Option will expire at 5.00pm (WST) on 31 May 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- Subject to paragraph (k), the amount payable upon exercise of each Option will be \$0.01 (**Exercise Price**).
- The Options held by each Optionholder may be exercised in whole or in part.
- An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - a written notice of exercise of Options specifying the number of Options being exercised; and
 - cash, a bank cheque or telegraphic or other electronic means of transfer of cleared funds for the Exercise Price for the number of Options being exercised;
- An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.
- All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- The Company may apply for the Options to be listed, subject to satisfying ASX Listing Rule requirements for listing. If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- If at any time the issued capital of the Company is reorganised or reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation or reconstruction.
- There are no participating rights or entitlements inherent in the Options. The Optionholder cannot participate in any new issues of the Company without exercising the Option.
- An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

LODGEMENT INSTRUCTIONS

Cheques shall be in Australian currency made payable to Metals Australia Limited and crossed "Not Negotiable". The application for shares on exercise of the options with the appropriate remittance should be lodged at the Company's Registry, Advanced Share Registry Limited, PO Box 1156, Nedlands Western Australia 6909.

NOTE: OPTIONS NOT EXERCISED BY 31 MAY 2020 WILL AUTOMATICALLY EXPIRE.