

ASX ANNOUNCEMENT
20 December 2021

ASX code: **MLS**

PROPOSED CONSOLIDATION OF CAPITAL

Metals Australia Limited (ASX: MLS) (Company) advises that the Board will seek shareholder approval at the Company's Annual General Meeting ("AGM") on 27 January 2022 to consolidate the issued capital of the Company through the conversion of every twenty (20) existing Shares into one (1) Share (Consolidation), with a corresponding Consolidation of all other securities on issue. Fractional entitlements will be rounded up to the nearest whole security.

The Consolidation is being undertaken to reduce the number of Shares currently on issue from 5,238,557,359 to approximately 261,927,868, and effectively increase the value of the Company's assets per Share by a factor of twenty. Similarly, in accordance with ASX Listing Rules 7.21 and 7.22.1, all Options currently on issue by the Company will be consolidated in the same ratio as Shares, and the exercise price of the Options will be amended in inverse proportion to that ratio as directed by the ASX Listing Rules. Accordingly, as the Consolidation applies equally to all security holders, it will have no material effect on the percentage shareholding interest of each individual shareholder.

The Consolidation is anticipated to provide a more effective capital structure of the Company and a more appropriate share price for a wider range of investors.

A Notice of Meeting has been announced concurrently with this announcement that outlines the background and details of the proposed Consolidation.

The indicative timetable, if the Consolidation is approved by shareholders, is as follows:

Action	Date
Company announces Consolidation	20 December 2021
Company sends out notices for Shareholder meeting	20 December 2021
Shareholders pass Resolution 10 to approve the Consolidation	27 January 2022
Company announces effective date of Consolidation	27 January 2022
Effective date of Consolidation (Being the date of the Resolution approving the Consolidation or a later date specified in the Resolution)	10 February 2022
Last day for pre-Consolidation trading	11 February 2022
Post-Consolidation trading starts on a deferred settlement basis	14 February 2022
Record Date	15 February 2022
Last day for the Company to register transfers on a pre-Consolidation basis	
First day for the Company to update its register and to send holding statements to security holders reflecting the change in the number of Securities they hold	16 February 2022
Last day for the Company to update its register and to send holding statements to security holders reflecting the change in the number of Securities they hold and to notify ASX that this has occurred	22 February 2022
Lodge ASIC Form 2205 notification	On or before 26 March 2022

REGISTERED OFFICE

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This announcement was authorised for release by the Board of Directors.

*****ENDS*****

For further information, please refer to the Company's website or contact:

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