

Wednesday, 6 July 2022

Dear Shareholder

METALS AUSTRALIA LIMITED – UPCOMING GENERAL MEETING OF SHAREHOLDERS

Metals Australia Limited (ASX:MLS) (the Company) will hold its General Meeting of its shareholders (Shareholders) at Level 1, 8 Parliament Place West Perth in Western Australia at 10.00am (AWST) on Friday, 5 August 2022 (the Meeting).

The Company is continuing to monitor the impact of the COVID-19 virus in Western Australia and following guidance from the Federal and State Governments. Having considered the current circumstances, at this stage the Directors have made the decision that a physical meeting will be held. Accordingly, Shareholders will be able to attend the Meeting in person.

In accordance with the Corporations Amendment (Meetings and Documents) Act 2022, the Company will not be sending hard copies of the Notice of Meeting to Shareholders unless a Shareholder has requested a hard copy. The Notice of Meeting can be viewed and downloaded from the link set out below.

The Company strongly encourages Shareholders to lodge a directed proxy form prior to the meeting and register their attendance prior to the Meeting if they intend to attend. Questions should also be submitted in advance of the Meeting as this will provide management with the best opportunity to prepare for the Meeting, for example by preparing answers in advance to Shareholders questions. However, votes and questions may also be submitted during the Meeting.

You can access the Notice of Meeting and Explanatory Memorandum at the Company's website (www.metalsaustralia.com.au/investors.php).

Alternatively, a complete copy of the Notice of Meeting and Explanatory Statement has been posted on the Company's ASX market announcements page.

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice of Meeting and Explanatory Statement.

In order to receive electronic communications from the Company in the future, please update your Shareholder details online at www.advancedshare.com.au and register as a member with your unique shareholder identification number and postcode (or country for overseas residents). Once logged in you can find your personalised proxy form and lodge your proxy vote online by clicking on the "Vote Lodgment" tab.

If you are unable to access the Notice of Meeting and Explanatory Memorandum online, please contact the Company Secretary, Michael Muhling, on +61 8 9481 7833 or via email at mmuhling@corporateresource.com.au.

The Federal and State governments are implementing a wide range of measures to contain or delay the spread of COVID-19. If it becomes necessary or appropriate to make alternative arrangements to those set out in the Company's Notice of Meeting, the Company will notify Shareholders accordingly via the Company's website at www.metalsaustralia.com.au and the Company's ASX announcement platform at www.asx.com.au (ASX:MLS).

The Company appreciates the understanding of shareholders during this time.

Yours faithfully

Michael Muhling
Company Secretary
Metals Australia Limited

REGISTERED OFFICE

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METALS AUSTRALIA LTD ABN 38 008 982 474

ASX CODE **MLS**



METALS AUSTRALIA LIMITED**ACN 008 982 474****NOTICE OF GENERAL MEETING**

Notice is given that the Meeting will be held at:

TIME: 10:00 am (AWST)

DATE: 5 August 2022

PLACE: Level 1
8 Parliament Place
WEST PERTH WA 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4.00pm (AWST) on 3 August 2022.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – APPROVAL TO ISSUE BROKER OPTIONS

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 4,000,000 Options with an exercise price of \$0.05 and an expiry date of 10 February 2024 to Peak Asset Management Pty Ltd (or its nominee/s) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) namely Peak Asset Management Pty Ltd (or its nominee/s) or an associate of that person (or those persons). However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF EXCLUSIVITY SHARES

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 40,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of the Placement Participants or any other person who participated in the issue (namely, the Vendors) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 3 – APPROVAL TO ISSUE CONSIDERATION SHARES

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 84,000,000 Shares on the terms and conditions set out in the Explanatory Statement.

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of the Placement Participants or any other person who participated in the issue (namely, the Vendors), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 6 July 2022

By order of the Board



Michael Muhling
Company Secretary

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9481 7833.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – APPROVAL TO ISSUE BROKER OPTIONS

1.1 Overview

On 7 March 2022, the Company announced its intention to conduct a placement to sophisticated and professional investors to raise \$7,800,000 (before costs) (**Placement**).

Pursuant to the Placement, the Company issued 100,000,000 Shares at an issue price of \$0.078 per Share (**Placement Shares**) on 16 March 2022 which were issued in accordance with shareholder approval received at the Company's Annual General Meeting held on 27 January 2022.

The Company also agreed to issue the participants in the Placement one Option for every Share subscribed for and issued (**Placement Options**). The Company subsequently successfully applied for quotation of the Placement Options (ASX code: MLSOD) subject to compliance with all ASX requirements. The Placement Options are exercisable at \$0.05 on or before 10 February 2024. The Terms and Conditions for these options are provided in Schedule 1.

1.2 Lead Manager

On 3 March 2022, the Company entered into a mandate with Peak Asset Management Pty Ltd (**Peak Asset Management**) pursuant to which Peak Asset Management was engaged to act as lead manager and corporate advisor to the Company for the Placement (**Lead Manager Mandate**).

Pursuant to the Lead Manager Mandate, the Company agreed to:

- (a) pay Peak Asset Management a commission of \$390,000 (being 5% of the total funds raised under the Placement) plus GST; and
- (b) subject to the successful completion of the Placement with a minimum raise of \$7,800,000, and subject to Shareholder approval, issue Peak Asset Management (or its nominee) 4,000,000 Options with an exercise price of \$0.05 and expiry date of 10 February 2024 (**Broker Options**).

Resolution 1 seeks Shareholder approval for the issue of the Broker Options. The Broker Options are being issued with the same terms and conditions as the Placement Options (see Schedule 1), and the Company intends to apply for quotation of the Broker Options as MLSOD securities, subject to compliance with all ASX requirements

1.3 Listing Rule 7.1

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The proposed issue of the Broker Options falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

1.4 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Broker Options. In addition, the issue of the Broker Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 1 is not passed, the Company may not be able to proceed with the issue of the Broker Options and would then need to go back to Peak Asset Management to renegotiate alternative forms of payment for services rendered in respect of the Placement.

1.5 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to this Resolution:

- (a) the Broker Options will be issued to Peak Asset Management (or its nominee/s);
- (b) the maximum number of Broker Options to be issued is 4,000,000;
- (c) the Broker Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that the issue of the Broker Options will occur on the same date;
- (d) the Broker Options will be issued at a nil issue price as part consideration for Peak Asset Management acting as a corporate advisor and lead manager to the Placement;
- (e) the purpose of the issue of the Broker Options is to satisfy the Company's obligations under the Lead Manager Mandate;
- (f) the Broker Options are being issued to Peak Asset Management (or its nominee/s) under the Lead Manager Mandate. The material terms of the Lead Manager Mandate are set out in Section 1.2 above;
- (g) the Broker Options will be issued on the terms and conditions set out in Schedule 1 and the Company intends to apply for quotation of the Broker Options subject to compliance with all ASX requirements;
- (h) no funds will be raised from the issue as the Broker Options (other than funds raised on exercise of the Broker Options);
- (i) the Broker Options are not being issued under, or to fund, a reverse takeover; and
- (j) a voting exclusion statement is included in Resolution 1 of the Notice.

2. BACKGROUND TO RESOLUTIONS 2 AND 3

2.1 Overview

As announced on 16 June 2022, the Company has entered into a binding agreement with Payne Gully Gold Pty Ltd (ACN 638 017 731) (**PGG**), and with its shareholders, James John Del Piano and Coniston Pty Ltd as trustee of the Coniston Trust (ACN 612 901 419) (**PGG Vendors**) under which the Company has

conditionally agreed to acquire 80% of the issued capital of PGG from the PGG Vendors (**Acquisition**).

PGG is an Australian exploration company which holds:

- (a) the Warrambie Project, comprising one granted exploration licence located in Western Australia, which is highly prospective for mafic intrusive nickel-copper-cobalt-PGE sulphide mineralisation;
- (a) the Murchison Project, comprising four exploration licence applications and one granted exploration licence located in Western Australia, which is highly prospective for gold, Ni-Cu-Co-PGE and lithium mineralisation; and
- (b) the Tennant Creek Project, comprising three exploration licence applications and one granted exploration licence located in the Northern Territory, which is prospective for iron-oxide-copper-gold (IOCG) deposits,

(together, the **PGG Projects**).

2.2 PGG Agreement

A summary of the material terms and conditions of the agreement entered into between the Company, PGG and the PGG Vendors (**PGG Agreement**) is set out below.

Exclusivity	(a) PGG and the Vendor have granted the exclusive right to the Company to conduct due diligence during the period from the date of execution of the PGG Agreement (Execution Date) until the earlier of Settlement (defined below) or termination of the PGG Agreement. (b) In consideration for the grant of exclusivity, the Company agrees to issue the Vendor (or its nominee/s) 40,000,000 Exclusivity Shares as a non-refundable payment within five business days of the Execution Date. The Exclusivity Shares were issued on 20 June 2022.
Conditions Precedent	Settlement of the Acquisition is conditional upon the satisfaction (or waiver) of the following conditions precedent: (a) the Company confirming in writing to the PGG Vendors that it is satisfied in its sole discretion with its legal due diligence review of PGG and its tenements; (b) the Company obtaining all necessary Shareholder approvals to allow the Company to lawfully complete the matters set out in the PGG Agreement, including (without limitation) the Company obtaining shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Consideration Shares, a cash payment to the Vendors of \$300,000, and the payment of \$200,000 to PGG to provide funds for expenses and debt repayments; (c) PGG obtaining, in a form satisfactory to the Company, all necessary third-party approvals, consents and regulatory approvals, (together, the Conditions). The Conditions are for the benefit of the Company and may only be waived by the Company. If the Conditions are not satisfied (or waived) on or before 5.00pm (WST) on 15 August 2022, or such other date as agreed in writing between the Parties (End Date), then any party may terminate the PGG Agreement by giving notice, in which case the agreement will be at an end and the parties will be released from their obligations under the PGG Agreement, other than any pre-existing liabilities for breach of the PGG Agreement, which shall survive termination of the PGG Agreement.

Consideration	Subject to the satisfaction (or waiver) of the Conditions, in consideration for the Acquisition, the Company agrees to issue the PGG Vendors (or its nominee/s): (a) 84,000,000 Shares on settlement of the Acquisition (Consideration Shares); (b) to pay the PGG Vendors \$300,000 as a cash payment. (c) To advance the sum of \$200,000 to PGG to provide funds for expenses and debt repayments.
Free Carried Period	(a) On and from the Settlement Date, the Company agrees to sole fund all costs incurred in connection with the activities of PGG including exploration on and development of the PGG Projects, and outgoings required to maintain the PGG Projects in good standing (Expenditure) until such time as the Company has completed a Definitive Feasibility Study on any of the PGG Projects and decides (in its absolute discretion) to proceed with mining operations on a PGG Project (Decision to Mine) (the Free Carried Period) or the PGG Agreement is otherwise terminated in accordance with its terms. (b) All funding by the Company during the Free Carried Period will be made by way of a loan in immediately available funds, without demand. (c) It is agreed that on completion of the Free Carried Period, if applicable, any intercompany loan incurred between PGG and the Company (or any of the Company's related bodies corporate) will be extinguished or satisfied through PGG repaying the loan to the Company from 50% of net profit after tax derived from mining operations on the tenements and otherwise on terms agreed to by the Shareholders. (d) During the Free Carried Period: (i) the board of directors of PGG (PGG Board) will comprise of one nominee of the Company. The Vendor will not be entitled to appoint any nominees to the PGG Board; and (ii) the Company will have sole control over all exploration programs, budgets and accounting procedures. (e) The PGG Agreement also contains certain restrictions on the transfer of PGG Shares during the Free-Carried Period.
Post Free-Carried Period	(a) After the completion of the Free-Carried Period, the number of directors that may be appointed to the PGG Board by a shareholder (PGG Shareholder) will be determined by their shareholder interest, with no appointment right if a PGG Shareholder has an equity interest of less than 21%, the right to appoint one director if a PGG Shareholder holds between 21% and 80% and the right to appoint two directors if a PGG shareholder holds more than 80%. (b) After the completion of the Free-Carried Period, where the PGG Board determines that PGG requires further funds for operations in accordance with an approved program, the funding may be obtained by way of equity or loans or both, unless the PGG Shareholders agree otherwise. (c) If the PGG Board elects to obtain equity funding, each PGG Shareholder must contribute in accordance with their respective shareholder interest or elect to dilute in accordance with an industry standard formula. (d) The PGG Agreement also contains certain restrictions on the transfer of PGG Shares after the Free-Carried Period.

2.3 Summary of Resolutions

Pursuant to this Notice of Meeting, the Company is seeking:

- (a) Shareholder ratification pursuant to Listing Rule 7.4 for the previous issue of the Exclusivity Shares under Resolution 2; and
- (b) Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Consideration Shares under Resolution 3.

3. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF EXCLUSIVITY SHARES

3.1 General

On 20 June 2022, the Company issued 40,000,000 Exclusivity Shares in consideration for the grant of exclusivity under the PGG Agreement. Further information in relation to the issue of the Exclusivity Shares and the Acquisition is set out in Section 2 above.

Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Exclusivity Shares.

3.2 Listing Rule 7.1

Broadly speaking, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12-month period.

The issue of the Exclusivity Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Exclusivity Shares.

3.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Exclusivity Shares.

3.2 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, the Exclusivity Shares will be excluded in calculating the Company's 15% limit in Listing Rules 7.1, effectively increasing the number of Equity

Securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Exclusivity Shares.

If Resolution 2 is not passed, the Exclusivity Shares will be included in calculating the Company's 15% limit in Listing Rules 7.1, effectively decreasing the number of Equity Securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Exclusivity Shares.

3.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 2:

- (a) the Exclusivity Shares were issued to James John Del Piano and Coniston Pty Ltd as trustee of the Coniston Trust as trustee of the Coniston Trust, the shareholders of PGG;
- (b) 40,000,000 Exclusivity Shares were issued, 20,000,000 to James John Del Piano and 20,000,000 to the Coniston Pty Ltd as trustee of the Coniston Trust, and the Exclusivity Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Exclusivity Shares were issued on 20 June 2022;
- (d) the Exclusivity Shares were issued at a nil issue price, in consideration for the grant of exclusivity in respect of the Acquisition (a deemed issue price of \$0.07 per Exclusivity Share). The Company has not and will not receive any other consideration for the issue of the Exclusivity Shares;
- (e) the purpose of the issue of the Exclusivity Shares was to satisfy certain obligations of the Company under the PGG Agreement; and
- (f) the Exclusivity Shares were issued to James John Del Piano and Coniston Pty Ltd as trustee of the Coniston Trust under the PGG Agreement. A summary of the material terms of the PGG Agreement is set out in Section 2.2.

4. RESOLUTION 3 – APPROVAL TO ISSUE CONSIDERATION SHARES

4.1 General

As set out in Section 2.2, the Company has agreed to issue the PGG Vendors 84,000,000 Shares which will be issued on completion of the Acquisition (**Consideration Shares**).

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Consideration Shares.

4.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 3.2 above.

The proposed issue of the Consideration Shares does not fit within any of the exceptions set out in Listing Rule 7.2. While the issue does not exceed the 15% limit in Listing Rule 7.1 and could therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval under Listing

Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

4.3 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Consideration Shares. In addition, the issue of the Consideration Shares will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company may not be able to proceed with the issue of the Consideration Shares and the Company may be in breach of the PGG Agreement with PGG.

4.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the Consideration Shares will be issued to the PGG Vendors;
- (b) the maximum number of Consideration Shares to be issued is 84,000,000 Share, comprising:
 - (i) 42,000,000 to James John Del Piano; and
 - (ii) 42,000,000 to Coniston Pty Ltd as trustee of the Coniston Trust.
- (c) the Consideration Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Consideration Shares will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Consideration Shares will occur on the same date;
- (e) the Consideration Shares will be issued at a nil issue price, in consideration for Acquisition (a deemed issue price of \$0.07 per Consideration Share). The Company will not receive any other consideration for the issue of the Exclusivity Shares;
- (f) the purpose of the issue of the Consideration Shares is to satisfy the Company's obligations under the PGG Agreement; and
- (g) the Consideration Shares will be issued to James Del Piano and Coniston Pty Ltd as trustee of the Coniston Trust under the PGG Agreement. A summary of the material terms of the PGG Agreement is set out in Section 2.2.

4.5 Dilution

The maximum impact on current Shareholders, assuming that the maximum number of Securities are issued under this Resolution, and no convertible securities (including Options) are exercised or converted, is set out below. As demonstrated, in such circumstances the percentage Shareholding of current Shareholders will be diluted to 87.12%.

	Shares	%
Current Shares ¹	568,036,191	87.12%
Resolution 3	84,000,000	12.88%
TOTAL	652,036,191	100.00%

Notes:

1. There are currently 568,036,191 Shares on issue as at the date of this Notice and this table assumes no Securities are exercised or converted and no additional Shares are issued, other than as set out in the table above.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

AWST means Western Standard Time as observed in Perth, Western Australia.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Metals Australia Limited (ACN 008 982 474).

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.05 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AWST) on 10 February 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being

ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

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.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

LODGE YOUR PROXY APPOINTMENT ONLINE

ONLINE PROXY APPOINTMENT
www.advancedshare.com.au/investor-login

MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Metals Australia Ltd and entitled to attend and vote hereby:

APPOINT A PROXY

The Chair of
the Meeting

OR



PLEASE NOTE: If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the General Meeting of the Company to be held **at Level 1, 8 Parliament Place, WEST PERTH WA 6005 on 5 August 2022 at 10:00 am (AWST)** and at any adjournment or postponement of that Meeting.

Chair's voting intentions in relation to undirected proxies: The Chair intends to vote all undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chair may change his/her voting intentions on any Resolution. In the event this occurs, an ASX announcement will be made immediately disclosing the reasons for the change.

VOTING DIRECTIONS
Resolutions

For Against Abstain*

1 Approval to issue Broker Options

☐
☐
☐

2 Ratification of prior issue of Exclusivity Shares

☐
☐
☐

3 Approval to issue Consideration Shares

☐
☐
☐


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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

☐ Please tick here to agree to receive communications sent by the Company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or 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 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.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 10:00 am (AWST) on 3 August 2022, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

PO Box 1618, West Perth, Western Australia 6872



BY EMAIL

mmuhling@corporateresource.com.au



IN PERSON

Level 1, 8 Parliament Place, West Perth WA 6005



ALL ENQUIRIES TO

Telephone: +61 8 9481 7833