



ASX ANNOUNCEMENT

1 DECEMBER 2025

ISSUE OF INCENTIVE OPTIONS

In accordance with resolutions passed at the Company's Annual General Meeting held on 17 November 2025, the Company has issued a total of 10,000,000 options exercisable at 20 cents and expiring on 16 November 2028 to the Directors (comprising 5,000,000 options to Mr Rutherford and 2,500,000 options to each of Mr Barwick and Mr Pitt). The options are exercisable in two tranches, with 50% being exercisable at any time from the date of issue, and 50% being exercisable from 1 December 2026. Refer attached Schedule 1 for further terms and conditions.

In addition, the Directors have issued 6,500,000 options exercisable at 16 cents and expiring on 30 November 2028 to technical and administrative staff. The options are exercisable in two tranches, with 50% being exercisable at any time from the date of issue, and 50% being exercisable from 1 December 2025. Refer attached Schedule 2 for further terms and conditions. These incentive options are issued pursuant to the Company's 15% capacity under the Australian Securities Exchange Listing Rules.

An Appendix 3G has been lodged with ASX.

This ASX announcement was authorised by the Managing Director of Red Metal Limited.

For further information concerning Red Metal's operations and plans for the future please refer to the recently updated website or contact Rob Rutherford, Managing Director at:

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Patrick Flint
Company Secretary

SCHEDULE 1 – TERMS AND CONDITIONS OF RELATED PARTY OPTIONS

The Related Party Options entitle the holder to subscribe for Shares on the following terms:

1. Each Related Party Option entitles the holder to subscribe for and be allotted one Share upon exercise of the Related Party Option.
2. Subject to paragraph 13, the amount payable upon exercise of each Related Party Option will be \$0.20 each (**Exercise Price**).
3. The Related Party Options vest as follows;
 - (a) First (1st) Tranche of 5,000,000 Related Party Options – from the date of issue.
 - (b) Second (2nd) Tranche of 5,000,000 Related Party Options – 12 months from the date of issue.
4. Each Related Party Option will expire at 5:00pm (AEDT) on 16 November 2028 (**Expiry Date**). A Related Party Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
5. The Related Party Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
6. The Related Party Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Related Party Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Related Party Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
7. Within five Business Days after the Exercise Date, the Company will:
 - (a) issue the number of Shares required under these terms and conditions in respect of the number of Related Party Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (b) 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
 - (c) 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 Related Party Options.

If a notice delivered under paragraph 7(b) 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.

8. The Related Party Options are not transferable except to an offeror under a takeover offer or under a scheme of arrangement proposed by the Company, or with the consent of the Directors of the Company

in circumstances where the proposed transfer is to an entity wholly owned and controlled by the optionholder.

9. Shares issued on exercise of the Related Party Options rank equally with the then issued Shares of the Company.
10. The Company will apply for Official Quotation by the ASX of all Shares issued upon exercise of the Related Party Options.
11. There are no participation rights or entitlements inherent in the Related Party Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Related Party Options without exercising the Related Party Options. However, the Company will send a notice to each holder of Related Party Options at least nine business days before the record date for any proposed pro-rata issue of capital. This will give optionholders the opportunity to exercise their Related Party Options prior to the date for determining entitlements to participate in any such issue.
12. A Related Party Option does not confer the right to a change in Exercise Price or a change in the number of underlying Shares over which the Related Party Options can be exercised.
13. If at any time the issued capital of the Company is 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 reconstruction.

SCHEDULE 2 – TERMS AND CONDITIONS OF INCENTIVE OPTIONS

The Incentive Options (**Options**) entitle the holder to subscribe for Shares on the following terms:

14. Each Option entitles the holder to subscribe for and be allotted one Share upon exercise of the Option.
15. Subject to paragraph 13, the amount payable upon exercise of each Option will be \$0.16 each (**Exercise Price**).
16. The Options vest as follows;
 - (a) First (1st) Tranche of 3,250,000 Incentive Options – from the date of issue.
 - (b) Second (2nd) Tranche of 3,250,000 Incentive Options – 12 months from the date of issue.
17. Each Option will expire at 5:00pm (AEDT) on 30 November 2028 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
18. The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
19. 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.
20. Within five Business Days after the Exercise Date, the Company will:
 - (a) 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;
 - (b) 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
 - (c) 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 paragraph 7(b) 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.
21. The Options are not transferable except to an offeror under a takeover offer or under a scheme of arrangement proposed by the Company, or with the consent of the Directors of the Company in circumstances where the proposed transfer is to an entity wholly owned and controlled by the Optionholder.
22. Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.
23. The Company will apply for Official Quotation by the ASX of all Shares issued upon exercise of the Options.

24. 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. However, the Company will send a notice to each holder of Options at least nine business days before the record date for any proposed pro-rata issue of capital. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
25. An Option does not confer the right to a change in Exercise Price or a change in the number of underlying Shares over which the Options can be exercised.
26. If at any time the issued capital of the Company is 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 reconstruction.