



ASX ANNOUNCEMENT

21 NOVEMBER 2023

ISSUE OF INCENTIVE OPTIONS

In accordance with resolutions passed at the Company's Annual General Meeting held on 17 November 2023, the Company has issued a total of 6,000,000 options exercisable at 10 cents and expiring on 18 November 2026 to the Directors (comprising 3,000,000 options to Mr Rutherford and 1,500,000 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 20 November 2024. Refer attached Schedule 1 for further terms and conditions.

In addition, the Directors have issued 4,750,000 options exercisable at 10 cents and expiring on 18 November 2026 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 20 November 2024. Refer attached Schedule 1 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 Board of Directors.

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 INCENTIVE OPTIONS

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

1. Each Option entitles the holder to subscribe for and be allotted one fully paid ordinary share in the Company upon payment of the exercise price. The exercise price is \$0.10.
2. The Options vest as follows:
 - (a) 50% of the Options – from the date of issue.
 - (b) The remaining 50% of the Options – 12 months from the date of issue.
3. Each Option will expire at 5:00 pm (AEDST) on 18 November 2026 (Expiry Date).
4. Shares will be allotted and issued pursuant to the exercise of Options not more than 10 business days after receipt of a properly executed notice of exercise and payment of the requisite application moneys.
5. The Options are not transferable except to an offeror under a takeover offer or under a scheme of arrangement proposed by the Company, or except 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.
6. All Shares issued upon exercise of the Options will be fully paid ordinary shares in the capital of the Company.
7. The Company will apply for Official Quotation by the ASX of all Shares issued upon exercise of the Options.
8. There are no participating 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. 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.
9. There is no right to a change in the exercise price of the Options or to the number of Shares over which the Options are exercisable in the event of a new issue of capital (other than a bonus issue) during the currency of the Options.
10. In the event of any reorganisation of the issued capital of the Company on or prior to the Expiry Date, the rights of an optionholder will be changed to the extent necessary to comply with the applicable ASX Listing Rules in force at the time of the reorganisation.