ESSENTIAL METALS LIMITED ACN 103 423 981

ADDENDUM TO NOTICE OF ANNUAL GENERAL MEETING

Essential Metals Limited (ACN 103 423 981) (**Company**), hereby gives notice to shareholders of the Company that, in relation to the Notice of Annual General Meeting dated 26 October 2020 (**Notice of Meeting**) in respect of the Company's annual general meeting of members originally proposed to be held at 9:00am (AWST) on 24 November 2020 at 54 Kings Park Road, West Perth, Western Australia (**Meeting**), the Directors have determined to issue this addendum to the Notice of Meeting (**Addendum**) for the purposes set out below.

The Company hereby also gives notice that the Meeting has been deferred to enable Shareholders to consider the new information and Resolutions set out in this Addendum. The Meeting will therefore now be held at:

TIME: 2:00 pm (AWST)

DATE: 15 December 2020

PLACE: Quest Apartment Hotel

54 Kings Park Road WEST PERTH WA 6005

General

Definitions in the Notice have the same meaning in this Addendum.

This Addendum is supplemental to the original Notice and should be read in conjunction with the original Notice. Save for the Additional Resolution set out below, all other Resolutions proposed in the original Notice remain unchanged.

Replacement Proxy Form

The Company advises that there has been a change to the Proxy Form previously despatched to Shareholders and the replacement Proxy Form is annexed to this Addendum (**Replacement Proxy Form**).

To ensure clarity of voting instructions by Shareholders on the Resolutions to be considered at the Meeting, Shareholders are advised that:

(a) If you have already completed and returned the Proxy Form which was annexed to the original Notice and **you do not wish to change your original vote, or vote on Resolutions 9 - 13, you do not need to take any action** as the earlier submitted Proxy Form will be accepted by the Company for Resolutions 1 – 8 unless you submit a Replacement Proxy Form. However, completed Proxy Forms annexed to the Notice will not be accepted by the Company in relation to Resolutions 9 - 13 to be voted on by Shareholders at the Meeting.

- (b) If you have already completed and returned the Proxy Form which was annexed to the original Notice and you wish to change your original vote, or vote on Resolutions 9 13, you must complete and return the Replacement Proxy Form annexed to this Addendum.
- (c) If you have not yet completed and returned a Proxy Form and you wish to vote on the Resolutions in the Notice as supplemented by the Addendum, being Resolutions 1 to 13, please complete and return the Replacement Proxy Form annexed to this Addendum.

Accordingly, although original Proxy Forms will still be valid, in order to vote on Resolutions 9 – 13 by proxy **PLEASE COMPLETE AND RETURN THE REPLACEMENT PROXY FORM** annexed to this Addendum.

RESOLUTION 9 – RATIFICATION OF ISSUE OF SHARES AND OPTIONS PURSUANT TO PLACEMENT – LISTING RULE 7.1

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,579,824 Shares and 12,051,639 Options to sophisticated and professional investors on the terms set out in the Explanatory Statement."

Voting Exclusion Statement:

Resolution 9 – Ratification of prior issue of Shares

A person who participated in the issue 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.

RESOLUTION 10 – RATIFICATION OF ISSUE OF SHARES PURSUANT TO PLACEMENT – LISTING RULE 7.1A

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

"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 13,523,464 Shares to sophisticated and professional investors on the terms set out in the Explanatory Statement."

Voting Exclusion Statement:

Resolution 10 – Ratification of prior issue of Shares

A person who participated in the issue 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;
- (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.

RESOLUTION 11 – ISSUE OF OPTIONS TO A DIRECTOR WHO PARTICIPATES IN THE SPP – TIMOTHY SPENCER

To consider and, if thought fit, to pass, the following **ordinary resolution**:

"That, subject to the passing of Resolution 11 above, for the purpose of Listing Rule 10.11, section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue up to 176,471 Options to Mr Timothy Spencer (or his nominees) subject to Mr Spencer applying for and receiving up to 352,942 Shares under the Share Purchase Plan on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

Resolution 11 – Issue of Options to Related Party

Tim Spencer (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (d) 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
- (e) 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
- (f) 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.

RESOLUTION 12 – ISSUE OF OPTIONS TO A DIRECTOR WHO PARTICIPATES IN THE SPP – CRAIG MCGOWN

To consider and, if thought fit, to pass, the following **ordinary resolution**:

"That, subject to the passing of Resolution 11 above, for the purpose of Listing Rule 10.11, section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue up to 176,471 Options to Mr Craig McGown (or his nominees) subject to Mr McGown applying for and receiving up to 352,942 Shares under the Share Purchase Plan on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

Resolution 12 – Issue of Options to Related Party

Craig McGown (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (g) 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
- (h) 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
- (i) 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.

RESOLUTION 13 – ISSUE OF OPTIONS TO A DIRECTOR WHO PARTICIPATES IN THE SPP – PAUL PAYNE

To consider and, if thought fit, to pass, the following **ordinary resolution**:

"That, subject to the passing of Resolution 11 above, for the purpose of Listing Rule 10.11, section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue up to 176,471 Options to Mr Paul Payne (or his nominees) subject to Mr Payne applying for and receiving up to 352,942 Shares under the Share Purchase Plan on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

Resolution 13 – Issue of Options to Related Party

Paul Payne (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (j) 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
- (k) 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
- (I) 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: 23 November 2020 By order of the Board

Carl Travaglini
Company Secretary

Voting by proxy

To vote by proxy, you may complete your voting online (instructions are contained in the enclosed Proxy Form) or by completing and signing 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 two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (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:

- 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.

Voting in person

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

Due to COVID19, the Meeting will be limited to the maximum number allowed by the WA Government at the time of the Meeting. Attendees will be permitted to join the Meeting on a first come, first serve basis, after allowing for the attendance of Company directors and a minimum number of personnel to facilitate the Meeting.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you submitted a Proxy Form (online or in paper form), your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from Automic will need to verify your identity. You can register from 1.30 pm (AWST) on the day of the meeting.

Should shareholders not wish to attend the Meeting in person, live audio from the Meeting will be made available from the commencement of the Meeting by dialling 1800 173 224 (guest passcode: 9696705). If you do not plan to attend the meeting please ensure you complete the enclosed Proxy Form as per the instructions outlined above as voting will not be available if dialling into the Meeting.

If you wish to raise a question for consideration at the meeting, please do so by submitting it no later than one week before the meeting date. Questions can be submitted by shareholders via email to (info@essmetals.com.au). Please include:

- Your name and that of the holder of the shares (if the shares are held indirectly)
- Your telephone number
- Your question (please be as succinct as possible)

The Chairman, Craig McGown, the Managing Director, Timothy Spencer, or the Company Secretary, Carl Travaglini will provide responses during the meeting and will endeavour to cover all questions submitted. There is no assurance given that a separate or collective response will be provided covering each question submitted.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9322 6974.

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. RESOLUTIONS 9 AND 10 - RATIFICATION OF SHARES AND OPTIONS UNDER PLACEMENT

1.1 General

On 18 November 2020, the Company announced that it had undertaken a placement to raise approximately \$2.05 million through the issue of 24,103,288 Shares at an issue price of \$0.085 together with one new option for every two Shares issued (**Placement**).

The Placement was supported by Fresh Equities Pty Ltd.

The Shares and Options were issued utilising the Company's placement capacities under Listing Rules 7.1 and 7.1A.

Resolutions 9 and 10 seek the ratification of those issues.

Broadly speaking, and subject to a number of exceptions, 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 shares it had on issue at the start of that period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 26 November 2019.

The issue of the Placement Shares and Options 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 and the Company's 10% limit in Listing Rule 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 or 7.1A for the 12 month period following the date of issue of the Placement Shares and Options.

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 or 7.1A 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 and 7.1A. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares and Options.

Resolutions 9 and 10 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares and Options.

1.2 Technical information required by Listing Rule 14.1A

If Resolutions 9 and 10 are passed, the Shares and Options the subject of that Placement will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, 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 Placement.

If Resolutions 9 and 10 are not passed, the Shares and Options issued under the Placement will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, 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 Placement.

1.3 Resolution 9

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 9:

- (a) the Shares and Options were issued to professional and sophisticated investors who are clients of Fresh Equities Pty Ltd and to existing shareholders in the Company. The recipients were identified through a bookbuild process, which involved Fresh Equities Pty Ltd seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 10,579,824 Shares and 12,051,639 Options were issued;
- (d) the 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;
- (e) the Options were issued on the terms and conditions set out in Schedule 1 to this Addendum;
- (f) the Shares and Options will be issued on 23 November 2020;
- (g) the issue price was \$0.085 per Shares. The Options were issued for nil cash consideration. The Company has not and will not receive any other consideration for the issue of the Options;

(h) the purpose of the issue of the Shares and Options was to raise \$2.05 million together with the Shares issued under Resolution 10, which will be applied towards drilling to test the Gards, Golden Shovel and Moonbaker prospects at Juglah Dome, drilling at Golden Ridge and a follow up drill program at Juglah Dome.

1.4 Resolution 10

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 10:

- (a) the Shares were issued to professional and sophisticated investors who are clients of Fresh Equities Pty Ltd and to existing shareholders in the Company. The recipients were identified through a bookbuild process, which involved Fresh Equities Pty Ltd seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 13,523,464 Shares were issued;
- (d) the 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;
- (e) the Shares will be issued on 23 November 2020;
- (f) the issue price was \$0.085 per Shares;
- (g) the purpose of the issue of the Shares was to raise \$2.05 million together with the Shares and Options issued under Resolution 9, which will be applied towards drilling to test the Gards, Golden Shovel and Moonbaker prospects at Juglah Dome, drilling at Golden Ridge and a follow up drill program at Juglah Dome.

2. RESOLUTIONS 11 TO 13 – ISSUE OF OPTIONS TO DIRECTORS WHO PARTICIPATE IN THE SPP

2.1 General

Each of the Directors, Timothy Spencer, Craig McGown and Paul Payne intend on participating in the SPP. The purpose of Resolutions 11 to 13 is to seek the approval of Shareholders to enable each of those Directors, or their respective associated holder of Shares in the Company, to participate in the receipt of Options on the same terms as all other Shareholders who participate in the SPP.

2.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Options to each of the Directors (or their nominee) constitutes giving a financial benefit and each of them is a related party of the Company by virtue of being a Director.

The Directors reasonably consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Options because the Directors are only seeking approval to receive their rights that are available to all other Shareholders of the Company who participate in the SPP.

2.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or garee to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 11 to 13 seek the required Shareholder approval for the issue of the Options under and for the purposes of Listing Rule 10.11.

2.4 Technical information required by Listing Rule 14.1A

If any of Resolutions 11 to 13 are passed, the relevant Director will be entitled to participate in the offer of Options along with all other Shareholders who apply for and receive Shares under the SPP within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If any of Resolutions 11 to 13 are not passed, the Company will not be able to proceed with the issue of the Options.

2.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 11 to 13:

- (a) the Options will be issued to:
 - (i) Mr Spencer (or his nominee) (Resolution 11);
 - (ii) Mr McGown (or his nominee) (Resolution 12); and
 - (iii) Mr Payne (or his nominee) (Resolution 13),

who each falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director;

- (b) the maximum number of Options to be issued is 176,471 Options under each of Resolutions 11, 12 and 13;
- (c) the terms and conditions of the Options are set out in Schedule 1;
- (d) the Options will be issued no later than 1 month 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 Options will occur on the same date;
- (e) the issue price of the Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the Options is to enable each of Mr Spencer, Mr McGown and Mr Payne to receive the same right as all other Shareholders who participate in the SPP; and
- (g) the Options are not being issued under an agreement.

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 \$0.15 (Exercise Price)

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on 30 November 2022 (**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 five 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.

(iv) If a notice delivered under (g)(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 Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX 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.

(I) Transferability

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



Essential Metals Limited | ACN 103 423 981

Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **2.00pm (WST) on Sunday, 13 December 2020,** being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below. YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: https://investor.automic.com.au/#/home Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 - APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item 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 item 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 the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at https://automic.com.au.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

https://investor.automic.com.au/#/loginsah

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic GPO Box 5193 Sydney NSW 2001

IN PERSON:

Automic Level 5, 126 Phil

Level 5, 126 Phillip Street Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

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PHONE: 1300 288 664 (Within Australia) +61 2 9698 5414 (Overseas)

STEP 1 - How to v	rote
APPOINT A PROXY:	
I/We being a Shareho	lder entitled to attend and vote at the Annual General Meeting of Essential Metals Limited, to be

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Essential Metals Limited, to be held at 2.00pm (WST) on Tuesday, 15 December 2020 at Quest Apartment Hotel, 54 Kings Park Road, West Perth WA 6005 hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote, except Resolution 2, where the Chair will be voting against.

Unless indicated otherwise by ticking the "for"," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 2 and 6 - 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 2 and 6 - 8 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

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S1EP 2 -	Your voting	ı directior

Res	solutions	For	Against	Abstain	Resolutions	For	Against Abstain
1.	Adoption of Remuneration Report				8. Approval of Equity Incentive Plan		
2.	Spill Resolution				9. Ratification of Issue of Shares and Options Pursuant to Placement – Listing Rule 7.1		
3.	Election of Paul Payne as a Non- Executive Director				10. Ratification of Issue of Shares Pursuant to Placement — Listing Rule 7.1A		
4.	Election of Warren Hallam as a Non-Executive Director				11. Issue of Options to a Director who Participates in the SPP — Timothy Spencer		
5.	Approval of 10% Placement Capacity				12 Issue of Options to a Director who Participates in the SPP — Craig Mcgown		
6.	Approval of Issue of Options to Related Party - Warren Hallam				Issue of Options to a Director who Participates in the SPP — Paul Payne		
7.	Approval of Issue of Performance Rights to Related Party— Timothy Spencer				NB: IF LESS THAN 25% OF THE VOTES CAST (ADOPTION OF THE REMUNERATION REP RESOLUTION 2. Cling your proxy not to vote on that Resolution	ORT, THE	CHAIR WILL WITHDRAW

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

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3	•				
Sole Director and Sole Company Secretary Contact Name:	Director	Director / Company Secretary					
Email Address:							
Contact Daytime Telephone Date (DD/MM/YY)							
By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).							