Notice of Annual General Meeting and Explanatory Statement

ENERGY METALS LIMITED ABN 63 111 306 533

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.

If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay.

ENERGY METALS LIMITED ACN 111 306 533

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2021 Annual General Meeting of shareholders of Energy Metals Limited will be held at Level 2, 28 Kings Park Road, West Perth, Western Australia on Friday 28 May 2021 at 10.00am (Western Standard Time).

The Explanatory Statement to this Notice of Annual General Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the enclosed proxy form are part of this Notice of Annual General Meeting.

AGENDA

Financial Report

To receive and consider the financial report, directors' report and auditor's report for the financial year ended 31 December 2020 (which form part of the Company's 2020 Annual Report).

Resolution 1 – Adoption of the Remuneration Report for the year ended 31 December 2020

To consider and, if thought fit, to pass the following as a non-binding ordinary resolution:

"That, for the purpose of and in accordance with section 250R(2) of the Corporations Act, the Remuneration Report of the Company for the year ended 31 December 2020 be adopted."

Note:

In accordance with Section 250R(2) of the Corporations Act, the vote on this resolution is advisory only and does not bind the Directors or the Company.

In accordance with the Corporations Act, if 25% or more of votes cast against the adoption of the Remuneration Report at two consecutive annual general meetings, a resolution must be put to the second of these annual general meetings requiring shareholders to vote whether another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must stand for re-election ("spill resolution"). For further information, please refer to the Explanatory Statement.

Voting exclusion statement:

A vote on the resolution must not be cast (in any capacity) by or on behalf of either of:

- a member of the key management personnel details of whose remuneration are included in the remuneration report; or
- a closely related party of such a member,

("Prohibited Voter").

However, a Prohibited Voter may cast a vote on the resolution if a Prohibited Voter does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution and the vote is not cast on behalf of a Prohibited Voter.

If a Prohibited Voter is appointed but not directed how to vote on Resolution 1, they will not vote your proxy on this resolution.

Resolution 2 – Re-election of Ms Jan Macpherson as a Director

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

"That Ms Jan Macpherson, being a Director of the Company who retires in accordance with clause 13.2 of the Company's Constitution, be re-elected."

Resolution 3 – Re-election of Mr Zhe Gao as a Director

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

"That Mr Zhe Gao, being a Director of the Company who retires in accordance with clause 13.2 of the Company's Constitution, be re-elected."

Resolution 4 - Confirmation of appointment and Re-election of Mr Jun Zhou as a Director

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

"That:

- (a) for the purpose of section 201H(3) of the Corporations Act and all other purposes, the Company approve and confirm the appointment of Mr Jun Zhou as a Director of the Company on 26 March 2021; and
- (b) Mr Jun Zhou, being a Director of the Company who holds office only until this AGM in accordance with clause 13.5 of the Company's Constitution, be re-elected."

Resolution 5 – Appointment of Auditor

Xuefun Li

To consider and if thought fit pass the following resolution as an ordinary resolution:

"That, for the purposes of section 327B of the Corporations Act and for all other purposes, BDO Audit (WA) Pty Ltd, having been nominated by a Shareholder and consenting in writing to act in the capacity of Auditor of the Company, be appointed as auditor of the Company and that the Directors be authorised to fix the remuneration of the Auditor."

Other Business

To transact any other business which may be properly brought before the meeting in accordance with the Company's Constitution and the Corporations Act.

By Order of the Board

XUEKUN LI Company Secretary Energy Metals Limited 28 April 2021

2

Entitlement to Vote

In accordance with Regulation 7.11.37 of the Corporations Regulations, the Directors have determined that the persons eligible to vote at the AGM are those who are registered Shareholders of the Company at 10am (Western Standard Time) on Wednesday 26 May 2021. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

Voting in Person

To vote in person, attend the AGM on the date and at the place set out above.

Voting by Proxies

A Shareholder entitled to attend and vote at the AGM is entitled to appoint not more than two proxies. If the Shareholder is entitled to two or more votes, the Shareholder may appoint two proxies and if this occurs the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

Pursuant to sections 250BB and 250BC of the Corporations Act, a proxy must cast all directed proxies as directed. Any directed proxies which are not voted will automatically default to the Chair, who will vote the proxies as directed.

A proxy need not be a Shareholder of the Company. If you sign the enclosed proxy form and do not write the name of a person or a body corporate in the proxy form, you will have appointed the Chair of the AGM as your proxy.

The Chair of the AGM will vote undirected proxies on, and in favour of, all of the proposed resolutions, except for Resolution 1 where the Chair will only vote if expressly directed to do so.

Please refer to the enclosed proxy form and the accompanying instructions for appointment of a proxy and lodging proxy forms.

If a shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the certificate of appointment of corporate representative should be completed and lodged in the manner specified.

To be effective, the proxy must be completed, signed and received by the Company no later than 48 hours before the AGM, that is **10am (Western Standard Time) on Wednesday 26 May 2021.** Proxy forms received later than the above mentioned time will be invalid.

The enclosed Proxy Form provides further details on appointing proxies and returning Proxy Forms.

Corporate Representative

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.

ENERGY METALS LIMITED

ABN 63 111 306 533

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide shareholders with sufficient information to assess the merits of the resolutions contained in the accompanying Notice.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in the Notice and this Explanatory Statement.

The Directors recommend Shareholders read this Explanatory Statement in full before making any decision in relation to the resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice.

1. Financial Statements and Reports

The Corporations Act requires the Company's financial report, the directors' report and the auditor's report for the year ended 31 December 2020 to be laid before the AGM. Shareholders will be provided with a reasonable opportunity to ask questions about the reports. There is no requirement either in the Corporations Act or the Company's Constitution that the Shareholders vote on or approve the reports.

Shareholders can access a copy of the Company's financial report, the directors' report and the auditor's report for the year ended 31 December 2020 (which form part of the Company's 2020 Annual Report) on the Company's website: www.energymetals.net

Resolution 1 – To adopt the Remuneration Report for the year ended 31 December 2020

The Corporations Act requires the Company to include in the directors' report for the year ended 31 December 2020 a detailed remuneration report setting out certain prescribed information relating to the remuneration of the Directors and certain members of the Company's senior management ("Remuneration Report") and to submit this Remuneration Report for adoption by resolution of the shareholders at the annual general meeting of the Company.

The Remuneration Report:

- outlines the Board's policy for determining the nature and amount of remuneration of Directors and Senior Executives of the Company;
- sets out remuneration details for each Director and Senior Executive of the Company;
- summarises the key terms of any contract of any Director or Senior Executive of the Company for the financial year ended 31 December 2020.

The Corporations Act requires that a resolution in relation to the Remuneration Report be put to the vote at the Company's AGM. The vote on the resolution is advisory only and does not bind the Directors or the Company.

However, the Directors will consider the outcome of the vote when reviewing the Company's remuneration practices and policies.

The Chair of the AGM will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Directors unanimously recommend that Shareholders vote in favour of adopting the Remuneration Report.

Please refer to the Voting Exclusion Statement with regards to this resolution in the Notice.

Resolution 2 - Re-election of Ms Jan Macpherson as a Director

Resolution 2 seeks approval for the re-election of Ms Macpherson as a Director with effect from the end of the AGM.

Ms Macpherson was appointed a Director on 1 March 2017 and was re-elected in the AGM of 2017 and 2019. Ms Macpherson is required to retire under the rotation of directors rule in clause 13.2 of the Company's Constitution.

Clause 13.2 provides that at each AGM:

- one-third of the Directors (other than alternate Directors and the Managing Director);
 or
- if the number of Directors is not a multiple of three, then such number as is appropriate to ensure that no Director other than alternate Directors and the Managing Director holds office for more than 3 years,

must retire from office. A retiring Director is eligible for re-election.

Ms Macpherson retires from office in accordance with this requirement and, being eligible, has offered herself for re-election as a Director of the Company.

The Board considers Ms Macpherson is an independent director of the Company. The Board considers Ms Macpherson' as an independent director and her legal expertise complements the Board's existing skills and experience. The Directors, other than Ms Macpherson, recommend that Shareholders vote in favour of this resolution.

Details of this candidate are as follows:

About Ms Jan Macpherson

Ms Macpherson has extensive experience in executive management, legal, commercial and corporate governance. She worked for Arc Infrastructure Pty Ltd (formerly Brookfield Rail Pty Ltd) ("Arc") as its General Counsel and Company Secretary from March 2015 until October 2018. Since then, she has been the Legal and Commercial Manager for Duro Felguera Australia Pty Ltd. Before she joined Arc, she worked as a senior executive for various exploration and energy companies. Ms Macpherson is a fellow of the AICD and the Australian Governance Institute and does not currently hold any directorships of other public Australian companies. Aged 66.

Resolution 3 - Re-election of Mr Zhe Gao as a Director

Resolution 3 seeks approval for the re-election of Mr Gao as a Director with effect from the end of the AGM.

Mr Gao was appointed a Director on 27 August 2019 and was confirmed and re-elected at the AGM of 2020. Mr Gao is required to retire under the rotation of directors rule in clause 13.2 of the Company's Constitution.

Clause 13.2 provides that at each AGM:

- one-third of the Directors (other than alternate Directors and the Managing Director);
 or
- if the number of Directors is not a multiple of three, then such number as is appropriate to ensure that no Director other than alternate Directors and the Managing Director holds office for more than 3 years,

must retire from office. A retiring Director is eligible for re-election.

Mr Gao retires from office in accordance with this requirement and, being eligible, has offered himself for re-election as a Director of the Company.

Since Mr Gao is a director nominated by Ningbo Weisheng Dingxuan Equity Inv Cap Partnership, the second largest shareholder of the Company, Mr Gao is not considered as an independent director. The Board considers Mr Gao's corporate finance experience and extensive investment expertise is a valuable part of the Board's existing skills and experience. The Directors, other than Mr Gao, recommend that Shareholders vote in favour of this resolution.

Details of this candidate are as follows:

About Mr Zhe Gao

Mr Gao is a senior corporate manager with over 20 years' experience in finance and investment. He graduated from the University of New South Wales and holds a Master degree of Commerce. Mr Gao worked for a number of large corporations, such as CITIC Logistics Co Ltd and HINA Investment Group & Maple Valley Investment CITIC Co, participating in various projects of capital raising, management consulting and fund management. In his early career, he worked as an auditor in a Big-Four international accounting firm. He has extensive experience in finance, fund raising, commercial negotiation and corporate management. Aged 48.

Resolution 4 - Confirmation of appointment and Re-election of Mr Jun Zhou as a Director

Pursuant to section 201H(3) of the Corporations Act, if a person is appointed by the other Directors as a director of the Company, the Company must confirm the appointment by resolution at the Company's next AGM. If the appointment is not confirmed, the person ceases to be a director of the Company at the end of the AGM.

In accordance with clause 13.5 of the Company's Constitution, a person appointed by other Directors holds office only until the next following annual general meeting and is then eligible for re-election.

On 26 March 2021, the Directors appointed Mr Zhou as a Director of the Company. Prior to appointment, the Company had conducted appropriate checks into Mr Zhou's background and experience. Since Mr Zhou is a senior executive of China Uranium Development Company Limited, the largest shareholder of EME, Mr Zhou is not considered as an independent director.

Section 201H(3) of the Corporations Act requires the appointment of Mr Zhou as a Director to be confirmed by ordinary resolution and, for him to continue to hold office after the AGM, clause 13.5 of the Company's Constitution requires a re-election of Mr Zhou as a Director of the Company. If such resolution is not obtained, Mr Zhou's appointment will cease at the end of the AGM. Mr Zhou has offered himself for re-election as a Director of the Company.

The Directors, other than Mr Zhou, recommend that shareholders vote in favour of this resolution. The Chair intends to vote undirected proxies in favour of the resolution.

About Mr Jun Zhou

Mr Zhou is a qualified accountant with more than 20 years' experience in finance and corporate management. He earned a Master of Economics in 1999 and has worked as a senior financial manager for CGNPC URC since 2008. Mr Zhou is a Certified Public Accountant. He is currently the Chief Executive Officer of China Uranium Development Company Limited. Aged 49.

Resolution 5 – Appointment of BDO Audit (WA) Pty Ltd as auditor of the Company

On 28 May 2013 the Company appointed Deloitte Touche Tohmatsu to act as its auditor ("Deloitte").

On 16 April 2021 Deloitte lodged a notice with ASIC seeking ASIC's consent to Deloitte resigning as EME's auditor to take effect from the AGM.

Subject to the ASIC's consent on Deloitte's resignation, and in accordance with Section 327B of the Corporations Act, the Company is proposing to appoint BDO Audit (WA) Pty Ltd as its auditor which will, if this resolution is passed, take effect from the date of the AGM.

On this basis, it is a requirement under the Corporations Act that a member provide a written nomination of the company for appointment not less than 21 days before the meeting. The Company has received a nomination from a member to appoint BDO Audit (WA) Pty Ltd as the Company's auditor (a copy of which is set out in Annexure 'A').

BDO Audit (WA) Pty Ltd has consented and as at the date of this Notice of Meeting has not withdrawn its consent to act as the Company's auditor. The Directors wish to appoint BDO Audit (WA) Pty Ltd as the Company's auditor.

Board recommendation: The Board recommends that shareholders vote in favour of resolution 5. The Chairman intends to vote undirected proxies in favour of the resolution.

GLOSSARY

The following terms have the following meanings in this Notice and Explanatory Statement:

"AGM" means the annual general meeting of the Company;

"**ASX**" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange Limited;

"**Board**" means the Directors acting as the board of directors of the Company or a committee appointed by such board of directors;

"CGNPC" means China General Nuclear Power Group;

"Company" or "Energy Metals" means Energy Metals Limited ABN 63 111 306 533;

"Constitution" means the constitution of the Company as amended from time to time;

"Corporations Act" means the Corporations Act 2001 (Cth);

"Corporations Regulations" means the Corporations Regulations 2001 (Cth);

"Director" means a Director of the Company;

"Explanatory Statement" means this explanatory statement attached to the Notice, which provides information to Shareholders about the resolutions contained in the Notice;

"Listing Rules" means the Official Listing Rules of the ASX as they apply to the Company from time to time;

"Managing Director" means the Managing Director of the Company;

"Notice" means the notice of AGM accompanying this Explanatory Statement;

"Share" means a fully paid ordinary share issued in the capital of the Company; and

"Shareholder" means a holder of Shares.

Annexure A

China Uranium Development Company Limited

The Directors

Energy Metals Limited

Level 2, 28 Kings Park Rd

West Perth 6005

Dear Directors

Re: Nomination of Auditor

Pursuant to section 328B of the *Corporations Act 2001* (Cth), China Uranium Development Company Ltd, being a member of Energy Metals Limited, hereby nominate BDO Audit (WA) Pty Ltd of 38 Station Street, Subiaco WA6008 to be appointed as the auditor of Energy Metals Limited at the Annual General Meeting to be held on Friday, 28 May 2021.

Yours sincerely

China Uranium Development Company

Dated: 19 April 2021.



Energy Metals Limited | ABN 63 111 306 533

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 10.00am (WST) on Wednesday, 26 May 2021, 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 Phillip Street Sydney NSW 2000

BY EMAIL:

 $\underline{meetings@automicgroup.com.au}$

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: https://automicgroup.com.au/

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

J		
>		

STEP '	1 - H	ow .	to vo	ote																											
APPOINT I/We being (WST) or	ng a	Shar	eholo																Ener	gy	Met	als	s Lim	nite	d, to	o be	e he	ld at	t 10 .	.00aı	n
Appoint provided person is and subj	d bela s nam	ow th	ie nai he Ch	ne (nair,	of th or th	ne pe ne Ch	rson nair's	or I	body ninee	y corp e, to w	oora ote	te y in a	ou c	are ap	opoin e with	ting the	as į folla	your	prox	y o	r fai	ilin	g th	ер	erso	on :	so n	ame	d o	r, if n	0
]
The Cha Unless ir Chair's v AUTHOF Where I/A Chair to Resolution Chair.	ndica roting RITY I we ho exer	ted control inter FOR cove control	otherwition. CHAI Ippoir my/o	vise R TC nted our p	by ti D VC the proxi	icking DTE (Chai y on	g the JND Ir as Res	r "for IREC my/c solut	TED our p ion 1	gains PRC roxy I (exc	ot" or OXIE: (or weept	s Ol wher	ostair N RE re the ere I	n" bo: EMUN e Cho I/we I	x you ERA ⁻ ir bea nave	rion Fion come indi	be I RE es m cate	autho LATE Iy/ou d a	orisin I D RE r pro: diffe	g t ESC xy ren	he C DLU ⁻ by c it vo	TIC defo	nir to NS ault) g in	, I/w ten	ve e tion	xpr	essl	y aut	:hori en t	se th	ie jh
STEP 2	ions																							F	or	-	Agai	inst	Al	ostai	n
1. Adop	ption o	f the F	emune	eratio	n Rep	ort fo	r the y	jear e	nded	31 Dec	embe	er 20	20																		
2. Re-election of Ms Jan Macpherson as a Director																															
3. Re-election of Mr Zhe Gao as a Director																															
4. Confirmation of appointment and Re-election of Mr Jun Zhou as a Director																															
5. Appointment of Auditor																															
STEP 3	3 – S	igno	ature	es o	ınd	con	itac	t de	tail	s																					
	Indivi	dual d	or Seci	uritył	nolde	er 1				Se	ecurit	yhol	lder 2)			_		Se	ecui	rityho	olde	er 3								
Sole Dir Contact N			Sole C	ompo	any S	Secre	tary	[Direct	tor								Dire	ctor /	' Ca	mpa	any	Secr	eta	ry						
Email Add	dress:	1					1	1	1		1	1							1											1	7

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

Date (DD/MM/YY)

Contact Daytime Telephone