



14 September 2023

Results of First Court Hearing

Essential Metals Limited (ASX:ESS) (**Essential** or the **Company**) refers to its ASX announcement released on 3 July 2023 in relation to the execution of a Scheme Implementation Deed with Develop Global Limited (ASX:DVP) (**Develop**) under which Develop proposed to acquire all the shares in Essential by way of a scheme of arrangement (**Scheme**) for consideration of 1 new Develop share for every 6.18 Essential shares held by Essential shareholders (**Essential Shareholders**) on the Record Date.¹

Court Orders

Essential is pleased to announce that the Federal Court of Australia (sitting in Perth) (**Court**) has today made the following orders:

- that Essential convene a meeting of its shareholders to consider and vote on the Scheme (**Scheme Meeting**); and
- approving the dispatch of an explanatory statement providing information about the Scheme, together with the notice of the Scheme Meeting (together, the **Scheme Booklet**), to Essential Shareholders.

Scheme Booklet

The Scheme Booklet will be released to ASX and dispatched to Essential Shareholders following registration with the Australian Securities and Investments Commission (**ASIC**), with registration expected to occur on Friday, 15 September 2023.

Essential shareholders who have elected to receive electronic communications will receive an email containing instructions about how to view or download a copy of the Scheme Booklet, as well as instructions on how to lodge their proxies for the Scheme Meeting together with the Opt-in Notice (for Small Shareholders) and Foreign Declaration Form (if applicable).

Essential shareholders who have elected to receive communications (including notices of meeting) via post will receive a printed copy of the Scheme Booklet together with a personalised Proxy Form, the Opt-in Notice (for Small Shareholders) and Foreign Declaration Form (if applicable). All other Essential shareholders who have elected to receive communications via post will receive a letter (by post) containing instructions about how to view or download a copy of the Scheme Booklet, together with a personalised Proxy Form, the Opt-in Notice (for Small Shareholders) and Foreign Declaration Form (if applicable). Following ASIC registration and release to the ASX, an electronic version of the Scheme Booklet, including the Independent Expert's Report, will also be available for viewing and downloading at <https://www.essmetals.com.au/dvpscheme/>.

¹ Other than Ineligible Foreign Holders (being those Essential Shareholders with an address as shown in the Share Register on the Record Date in a place outside of Australia and New Zealand and any other jurisdictions in respect of which Develop reasonably believes that it is not prohibited and not unduly onerous or impractical to implement this Scheme and to issue new Develop shares to an Essential Shareholder with a registered address in such jurisdiction) or Non-electing Small Shareholders (being Essential Shareholders who hold less than a marketable parcel of shares who do not opt-in to receive new Develop shares), who will receive their respective pro rata proportion of the sale proceeds of the new Develop shares which would otherwise have been issued to them under the Scheme. Refer to section 3.11 of the Scheme Booklet for more details.

Essential Shareholders should carefully read and consider the Scheme Booklet in its entirety, including the materials accompanying it, before deciding how to vote at the Scheme Meeting. If after reading the Scheme Booklet you have any questions about the Scheme Booklet or the Scheme, please contact Essential's Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) between 8:30am and 6:00pm (Sydney time) Monday to Friday, excluding public holidays, or via email at hello@automic.com.au. If you are in any doubt about what action you should take, please consult your broker or financial, legal, taxation or other professional adviser immediately.

Recommendation of the Essential Directors

The Essential Directors unanimously recommend that Essential Shareholders vote in favour of the Scheme at the Scheme Meeting, in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Essential Shareholders. Subject to those same qualifications, each of the Essential Directors will vote, or procure the voting of, all Essential shares in which they have a relevant interest in favour of the Scheme.²

Scheme Meeting

The Scheme Meeting will be held in person at the Quest Apartment Hotels, 54 Kings Park Road, West Perth WA 6005 at 9:00am (AWST) on Wednesday, 18 October 2023. All Essential Shareholders registered as at 5:00pm (AWST) on Monday, 16 October 2023 will be eligible to vote at the Scheme Meeting and are encouraged to do so. Further information on how to participate in and vote at the Scheme Meeting is set out in the Scheme Booklet.

Second Court Hearing

If the Scheme is approved at the Scheme Meeting and all conditions of the Scheme are satisfied or waived, Essential will apply to the Court for orders approving the Scheme at the Second Court Hearing.

Indicative Timetable

The expected key dates for the Scheme are set out in the table on the following page:

² In considering the unanimous recommendation and intentions of the Essential Board to vote in favour of the Scheme, Essential Shareholders should have regard to section 1.2 of the Scheme Booklet (in relation to the unanimous recommendation of the Essential Board). Essential Shareholders should also note: (1) sections 10.2, 10.3 and 10.5 of the Scheme Booklet, which concerns the treatment of Essential Performance Rights held by Mr Timothy Spencer and Essential Options held by all Directors in connection with the Scheme. The consideration that may be provided under the Option Cancellation Deeds if the Scheme proceeds are 90,545 Develop Shares to Mr Timothy Spencer (with an indicative value of \$266,202 based on the closing price of Develop Shares on the Last Practicable Date), 60,363 Develop Shares to Mr Craig McGown (with an indicative value of \$177,467 based on the closing price of Develop Shares on the Last Practicable Date), 36,219 Develop Shares to Mr Paul Payne (with an indicative value of \$106,484 based on the closing price of Develop Shares on the Last Practicable Date) and 66,653 Develop Shares to Mr Warren Hallam (with an indicative value of \$195,960 based on the closing price of Develop Shares on the Last Practicable Date). All unvested Performance Rights held by Mr Timothy Spencer will vest should the Court approve the Scheme on the Second Court Date and a cash payment of \$90,000 will be made to Mr Timothy Spencer in lieu of a grant of FY24 Performance Rights should the Scheme become Effective (refer sections 10.2 and 10.10 of the Scheme Booklet); (2) Mr Warren Hallam and Mr Craig McGown each have an immaterial indirect pre-existing beneficial interest in Develop Shares (refer section 10.6 of the Scheme Booklet); (3) Mr Craig McGown was a director of Develop from 8 February 2021 until his resignation on 9 June 2021 (refer section 10.7 of the Scheme Booklet); (4) The Directors also have an interest in the Run Off Cover pursuant to the D&O Deeds and have entered into the Deeds of Release (refer sections 10.8, 10.9 and 10.10 of the Scheme Booklet).

Event	Date
Last date and time for receipt of Proxy Forms or powers of attorney	9:00am (AWST) on Monday, 16 October 2023
Time and date for determining eligibility to vote at the Scheme Meeting	5:00pm (AWST) on Monday, 16 October 2023
Scheme Meeting	9:00am (AWST) on Wednesday, 18 October 2023
Second Court Date	10:15am (AWST) on Tuesday, 24 October 2023
Effective Date	Thursday, 26 October 2023
Scheme Record Date	5:00pm (AWST) on Monday, 30 October 2023
Implementation Date	Monday, 6 November 2023
Essential removed from official list of ASX (with effect from close of business)	Tuesday, 7 November 2023

Note: All dates and times are indicative only and, among other things, are subject to the Court approval process, ASX approval and the satisfaction or, where applicable, waiver of the conditions set out in Section 3.5 of the Scheme Booklet. Essential reserves the right to vary the times and dates above subject to the approval of such variation by Develop, the Court and ASIC where required. Any changes to the above timetable will be announced to ASX and notified on the Essential website at <https://www.essmetals.com.au>. Essential will update Essential Shareholders as to any material developments in relation to the Scheme as the timetable progresses.

This ASX release has been approved by the Board of Directors.

For further information:

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ABOUT ESSENTIAL METALS LIMITED

Essential Metals is a well-funded and active explorer/developer focussed on the discovery of lithium and other key global demand-driven commodities, for the creation of shareholder wealth through exploration and project development. The Company operates three strategically located lithium and gold projects in Western Australia.

100% OWNED AND MANAGED PROJECTS:

- **LITHIUM:** The **Pioneer Dome Lithium Project** is highly prospective for lithium-caesium-tantalum (LCT) mineral systems and includes the **Dome North Lithium Mineral Resource** of 11.2 million tonnes @ 1.16% lithium (Li₂O) including 8.7 million tonnes @ 1.23% lithium (Li₂O) within the Indicated Category.³
- **GOLD:** The **Juglah Dome Project** is located 60km east-south-east of Kalgoorlie and is considered to be highly prospective for gold and has potential for VHMS style polymetallic deposits.
- **GOLD:** The **Golden Ridge Project** is located ~20km south-east of Kalgoorlie, WA. Our activities are focussed on reappraising known prospects as well as identifying new areas within the large land tenure.

JOINT VENTURE INTERESTS:

- **GOLD:** The **Acra Project** is near Kalgoorlie. Northern Star Resources Limited (ASX:NST) has earned a 75% Project Interest and continues to fully fund exploration programmes until approval of a Mining Proposal by DMIRS is received with Essential Metals holding a 25% interest.
- **GOLD:** The **Kangan Project** is in the West Pilbara and part of a joint venture with Novo Resources Corp (TSXV:NVO), who will fund 100% of gold exploration programmes until a decision to mine is made, with Essential Metals holding a 30% interest in precious metals and 100% of all other minerals.
- **GOLD:** The **Balagundi Project** is subject to a farmin & JV agreement where Black Cat Syndicate Limited (ASX:BC8) is earning a 75% interest in the Project located at Bulong, near Kalgoorlie. Black Cat will then fully fund exploration programmes until completion of a bankable feasibility study with Essential Metals retaining a 25% interest in all minerals.
- **GOLD:** The Company holds a 25% interest, free-carried interest up to a decision to mine, in all minerals except 20% for nickel rights in the **Larkinville Project** near Kambalda, WA, with Maximus Resources Ltd (ASX:MXR).
- **NICKEL:** The nickel mineral rights on the **Blair-Golden Ridge Project**, which includes the suspended Blair Nickel Sulphide Mine, are subject to a Farmin/Joint Venture with Australian Nickel Company Ltd, a nickel exploration specialist which is earning up to a 75% interest. The Company will retain a 25% interest, free-carried interest up to a decision to mine.
- **NICKEL:** The Company holds a 20% (nickel only) interest, free-carried to a completion of a feasibility study which recommends that commercial mining operations be commenced, in the **Wattle Dam project** near Kambalda, WA, with Maximus Resources Ltd (ASX:MXR).
- **NICKEL:** The Company holds a 20% interest, free carried up to completion of a feasibility study which recommends the establishment of a mining area, in the **Maggie Hays project** near Lake Johnson, WA, with Poseidon Nickel Ltd (ASX:POS).

³ Refer ASX announcement 20 December 2022 "Dome North Resource upgrade".