
METALSTECH LIMITED

ACN 612 100 464

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.00 am (WST)

DATE: 22 June 2018

PLACE: MetalsTech Limited
Unit 1, 44 Dennis Street
Subiaco WA 6008

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00pm (WST) on 20 June 2018.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – SHARES – PLACEMENT TO WUXI BAICHAN CHEMICAL INDUSTRIAL CO LTD

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 8,250,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – SHARES – PLACEMENT TO WUXI BAICHAN CHEMICAL INDUSTRIAL CO LTD

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – SHARES – PLACEMENT TO WUXI BAICHAN CHEMICAL INDUSTRIAL CO LTD

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 750,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,917,171 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – ISSUE OF BROKER PERFORMANCE OPTIONS

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 600,000 Broker Performance Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (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, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF BROKER SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 600,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF BROKER OPTIONS

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 100,000 Broker Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF SHARES TO DG RESOURCE MANAGEMENT LTD.

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 41,312 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE OF SHARES – BAY LAKE PROJECT

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 100,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. RESOLUTION 10 – APPROVAL TO ISSUE OPTIONS TO CONSULTANT

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (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, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

11. RESOLUTION 11 – RATIFICATION OF PRIOR ISSUE OF SHARES – RUSTY LAKE PROJECT

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

12. RESOLUTION 12 – APPROVAL TO ISSUE OPTIONS TO EXECUTIVE – CHERIE LEEDEN

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 500,000 Options to Ms Cherie Leeden (or her nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (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, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

13. RESOLUTION 13 – APPROVAL TO ISSUE OPTIONS TO RELATED PARTY – DAVID RIEKIE

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 500,000 Options to Mr David Riekie (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr David Riekie (or his nominee) or any of their associates (**Resolution 13 Excluded Party**). However, the Company need not disregard a vote if it is cast by a

person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 13 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 13 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

14. RESOLUTION 14 – APPROVAL TO ISSUE OPTIONS TO RELATED PARTY – SHANE UREN

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 100,000 Options to Mr Shane Uren (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Share Uren (or his nominee) or any of their associates (**Resolution 14 Excluded Party**). However, the Company need not disregard a vote if it is cast by a **person** as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 14 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 14 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

15. RESOLUTION 15 – APPROVAL TO GRANT PERFORMANCE RIGHTS TO RELATED PARTY – GINO D'ANNA

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 1,375,000 Performance Rights to Mr Gino D'Anna (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Gino D'Anna (or his nominee) or any of their associates (**Resolution 15 Excluded Party**). However, the Company need not disregard a vote if it is cast by a **person** as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 15 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 15 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

16. RESOLUTION 16 – APPROVAL TO GRANT PERFORMANCE RIGHTS TO RELATED PARTY – RUSSELL MORAN

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 1,375,000 Performance Rights to Mr Russell Moran (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Russell Moran (or his nominee) or any of their associates (**Resolution 16 Excluded Party**). However, the Company need not disregard a vote if it is cast by a **person** as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 16 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or

- (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 16 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

17. RESOLUTION 17 – APPROVAL TO GRANT PERFORMANCE RIGHTS TO RELATED PARTY – DAVID RIEKIE

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 5,000,000 Performance Rights to Mr David Riekie (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr David Riekie (or his nominee) or any of their associates (**Resolution 17 Excluded Party**). However, the Company need not disregard a vote if it is cast by a **person** as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 17 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 17 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

18. RESOLUTION 18 – APPROVAL TO GRANT PERFORMANCE RIGHTS TO RELATED PARTY – SHANE UREN

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 250,000 Performance Rights to Mr Shane Uren (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Shane Uren (or his nominee) or any of their associates (**Resolution 18 Excluded Party**). However, the Company need not disregard a vote if it is cast by a

person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 18 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 18 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

19. RESOLUTION 19 – APPROVAL TO GRANT PERFORMANCE RIGHTS TO EXECUTIVE – CHERIE LEEDEN

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to grant up to 2,250,000 Performance Rights to Ms Cherie Leeden (or her nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (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, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

20. RESOLUTION 20 – APPROVAL TO GRANT PERFORMANCE RIGHTS TO EXECUTIVE – PAUL FROMSON

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to grant up to 750,000 Performance Rights to Mr Paul Fromson (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (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, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person

who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 11 May 2018

By order of the Board

MR GINO D'ANNA
Company Secretary and Director

Voting in person

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

Voting by proxy

To vote by proxy, please complete and sign 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 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 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 changes to the Corporations Act made in 2011 mean 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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 400 408 878.

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 1, 2 AND 3 – RATIFICATION OF ISSUE OF SHARES TO WUXI BAICHAN CHEMICAL INDUSTRIAL CO LTD

1.1 General

On 26 October 2017 the Company announced a binding agreement to place 10,000,000 fully paid ordinary shares (**Shares**) at \$0.18 per Share to Wuxi Baichan Chemical Industrial Co Ltd (**BCC**) (**Agreement**) to raise \$1,800,000.

The Agreement also granted BCC a conditional right to appoint a Director to the Board of the Company in the event its shareholding in the Company exceeds 15%. The Company has agreed to negotiate in good faith a project level equity investment with BCC. Please refer to the announcement of 26 October 2017 for further information.

The issue of Shares to BCC was completed in two tranches, comprising:

- (a) 8,250,000 Shares issued on 4 April 2018 at an issue price of \$0.18 under Listing Rule 7.1A (**Resolution 1**);
- (b) 1,750,000 Shares issued on 6 April 2018 at an issue price of \$0.18, comprising:
 - (i) 1,000,000 Shares issued pursuant to Listing Rule 7.1A (**Resolution 2**); and
 - (ii) 750,000 Shares issued pursuant to Listing Rule 7.1 (**Resolution 3**).

Therefore, of the 10,000,000 Shares issued to BCC, 9,250,000 Shares were issued under the Company's capacity under ASX Listing Rule 7.1A which was approved by Shareholders at the annual general meeting held on 24 November 2017 and 750,000 were issued under the Company's 15% capacity under ASX Listing Rule 7.1.

1.2 ASX Listing Rule 7.1 (**Resolution 3**)

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

1.3 ASX Listing Rule 7.1A (Resolutions 1 and 2)

Resolutions 1 and 2 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of Resolutions 1 and 2, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

1.4 Technical information required by ASX Listing Rule 7.4

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

- (a) 10,000,000 Shares were issued on the following basis:
 - (i) 750,000 Shares issued pursuant to ASX Listing Rule 7.1; and
 - (ii) 9,250,000 Shares issued pursuant to ASX Listing Rule 7.1A, comprising:
 - (A) 8,250,000 Shares issued on 4 April 2018; and
 - (B) 1,000,000 Shares issued on 6 April 2018;
- (b) the issue price was \$0.18 per Share under both issues of Shares pursuant to ASX Listing Rules 7.1 and 7.1A;
- (c) 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;

- (d) the Shares were issued to Wuxi Baichan Industrial Co Ltd (**BCC**). BCC is not a related party of the Company; and
- (e) the funds raised from this issue were used for working capital purposes and applied toward the continued exploration of the Company's Cancet and Adina Lithium Projects.

2. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES

2.1 General

On 19 April 2018, the Company issued 5,917,171 Shares via a Broker at an issue price of \$0.24 per Share to raise \$1,420,121.04.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 1.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.2 Technical information required by ASX Listing Rule 7.4

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

- (a) 5,917,171 Shares were issued;
- (b) the issue price was \$0.24 per Share;
- (c) 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;
- (d) the Shares were issued to institutional and professional investors. None of these subscribers are related parties of the Company; and
- (e) the funds raised from this issue were used for working capital purposes, drilling at the Bay Lake and Rusty Lake Projects and applied toward the continued exploration of the Company's Cancet and Adina Lithium Projects.

3. RESOLUTION 5 – ISSUE OF PERFORMANCE OPTIONS TO BROKER IN CONNECTION WITH PLACEMENT

3.1 General

Resolution 5 seeks Shareholder approval for the issue of up to 600,000 Performance Options in consideration for corporate advisory services provided by ACNS Capital Markets Pty Ltd (**Alto Capital**) (**Broker Performance Options**) in relation to the placement the subject of Resolution 4.

A summary of ASX Listing Rule 7.1 is set out in section 1.2 above.

The effect of Resolution 5 will be to allow the Company to issue the Broker Performance Options during the period of 3 months after the Meeting (or a

longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

3.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Broker Performance Options to be issued is 600,000;
- (b) the Broker Performance Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Broker Performance Options will occur on the same date;
- (c) the Broker Performance Options will be issued for nil cash consideration in satisfaction of corporate advisory services provided by Alto Capital in relation to the Placement the subject of Resolution 4;
- (d) the Broker Options were issued to Alto Capital, which is not a related party of the Company;
- (e) the Terms and Conditions of the Broker Performance Options are set out in Schedule 1; and
- (f) no funds will be raised from the issue as the Options are being issued in satisfaction of fees for corporate advisory services provided by Alto Capital in relation to the Placement the subject of Resolution 4.

4. RESOLUTION 6 AND 7 – RATIFICATION OF PRIOR ISSUE OF BROKER SHARES AND OPTIONS

4.1 General

On 19 April 2018, the Company issued 600,000 Shares to Celtic Capital Pty Ltd (Celtic Capital) and 100,000 Options to Robert Van Der Laan in satisfaction of fees for corporate advisory services provided by Celtic Capital.

The Company issued the Shares and Options the subject of Resolutions 6 and 7 without prior Shareholder approval out of its 15% annual placement capacity.

Resolutions 6 and 7 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 1.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.2 Technical information required by ASX Listing Rule 7.4

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

- (a) 600,000 Shares and 100,000 Options were issued;

- (b) the Shares and Options were issued for nil cash consideration in satisfaction of fees for corporate advisory services provided by Alto Capital in connection with the Placement subject to Resolution 3;
- (c) 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;
- (d) the terms and conditions of the Broker Options are set out in Schedule 2.
- (e) the Shares were issued to Celtic Capital Pty Ltd and the Options were issued to Robert Van Der Laan, neither of whom are related parties of the Company; and
- (f) no funds were raised from this issue as the Shares and Options were issued as consideration for corporate advisory fees.

5. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF SHARES TO DG RESOURCE MANAGEMENT

5.1 General

On 6 April 2018, the Company issued 41,312 Shares in consideration for geological services provided to the Company by DG Resource Management Ltd in connection with geological services provided in relation to the Cancet Lithium Project.

Resolution 8 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 1.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

5.2 Technical information required by ASX Listing Rule 7.4

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

- (a) 41,312 Shares were issued;
- (b) the Shares were issued for nil cash consideration to DG Resource Management Ltd in connection with geological services provided to the Company relating to the Cancet Lithium Project;
- (c) 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;
- (d) the Shares were issued to DG Resource Management Ltd, which is not a related party of the Company; and
- (e) no funds were raised from this issue as the Shares were issued in consideration for geological services provided to the Company.

6. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE OF SHARES TO GINO CHITARONI

6.1 General

On 6 April 2018, the Company issued 100,000 Shares to Mr Gino Chitaroni as part of the consideration for the acquisition of the Bay Lake Cobalt Project.

Resolution 9 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 1.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

6.2 Technical information required by ASX Listing Rule 7.4

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

- (a) 100,000 Shares were issued;
- (b) the Shares were issued for nil cash consideration in connection with the acquisition of the Bay Lake Cobalt Project;
- (c) 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;
- (d) the Shares were issued to Mr Gino Chitaroni, who is not a related party of the Company; and
- (e) no funds were raised from this issue as the Shares were issued in consideration for the acquisition of the Bay Lake Cobalt Project.

7. RESOLUTION 10 – ISSUE OF CONSULTANT OPTIONS TO QINGTAO ZENG

7.1 General

Resolution 10 seeks Shareholder approval for the issue of up to 1,000,000 Options with an exercise price of \$0.25 and an Expiry Date of 1 November 2020 (**Consultant Options**) to Dr Qingtao Zeng. The Consultant Options are part of the agreed fees for services in connection with the Placement to BCC the subject of Resolutions 1 and 2.

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

The effect of Resolution 10 will be to allow the Company to issue the Consultant Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

7.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Consultant Options to be issued is 1,000,000;

- (b) the Consultant Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Consultant Options will occur on the same date;
- (c) the Consultant Options will be issued for no consideration in satisfaction of consultancy services provided by Dr Qingtao Zeng; and
- (d) the Consultant Options will be issued to Dr Qingtao Zeng (or his nominee) who is not a related party of the Company;
- (e) the Terms and Conditions of the Consultant Options are set out in Schedule 3; and
- (f) no funds will be raised from the issue as the Consultant Options are being issued as part of the agreed fees for services in connection with the Placement to BCC the subject of Resolutions 1 and 2.

8. RESOLUTION 11 – RATIFICATION OF PRIOR ISSUE OF SHARES

8.1 General

On 12 April 2018, the Company issued 3,000,000 Shares to New Found Gold Corporation as part of the consideration for the acquisition of the Rusty Lake Cobalt Project.

Full details of the Rusty Lake Cobalt project are contained in the Company's announcement dated 23 November 2017. The agreement to acquire the project was originally entered into by the Company's 100% owned subsidiary iCobalt Ltd with part of the acquisition cost to be satisfied by 3,000,000 iCobalt shares following a listing of iCobalt on ASX. The separate listing of iCobalt was cancelled and the Company obtained a variation to the agreement whereby it issued 3,000,000 Company Shares instead of 3,000,000 iCobalt shares as part consideration. The balance of the consideration was cash payment of Canadian \$225,000 which has already been paid.

Resolution 11 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 1.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

8.2 Technical information required by ASX Listing Rule 7.4

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

- (a) 3,000,000 Shares were issued;
- (b) the Shares were issued for nil cash consideration as part of the consideration for the acquisition of the Rusty Lake Cobalt Project;
- (c) 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;

- (d) the Shares were issued to New Found Gold Corp, which is not a related party of the Company;
- (e) no funds were raised from this issue as the Shares were issued in consideration for the acquisition of the Rusty Lake Cobalt Project; and
- (f) a voluntary escrow period of 12 months from the date of issue of the Shares has been agreed with the Vendor.

9. RESOLUTION 12 – ISSUE OPTIONS TO EXECUTIVE – CHERIE LEEDEN

9.1 General

Resolution 11 seeks Shareholder approval for the issue of up to 500,000 Options with an exercise price of \$0.25 and an Expiry Date of 1 November 2021 (**Executive Options**) to Ms Cherie Leeden. The Executive Options are being issued to Ms Leeden as a remuneration incentive. The Company had to provide a salary package and incentives commensurate with other companies to secure the services of experienced and respected executive Ms Leeden.

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

The effect of Resolution 12 will be to allow the Company to issue the Executive Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

9.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Executive Options to be issued is 500,000;
- (b) the Executive Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Executive Options will occur on the same date;
- (c) the Executive Options are issued for nil cash consideration, accordingly no funds will be raised;
- (d) the recipient of the Executive Options is Ms Cherie Leeden (or her nominee) who is not a related party of the Company; and
- (e) the Terms and Conditions of the Executive Options are set out in Schedule 4; and
- (f) no funds will be raised from the issue as the Executive Options are being issued to Ms Leeden as a remuneration incentive.

10. RESOLUTIONS 13 AND 14 – ISSUE OF OPTIONS TO RELATED PARTIES

10.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 600,000 Options (**Related Party Options**) to Messrs Riekie and Uren (or their nominees) (**Related Parties**), on the terms and conditions set out below.

The Related Party Options to be granted to Mr Riekie are part of his remuneration incentives for employment as the Managing Director. The Related Party Options for Mr Uren are being granted as an incentive for Non-Executive Directors.

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 grant of the Related Party Options constitutes giving a financial benefit and Mr Riekie is a related party by virtue of being a Director and Mr Uren is a related party by virtue of being a Director within the last 6 months. Mr Uren voluntarily stepped down as a director in April 2018, however Mr Uren continues as a consultant based in Canada taking care of critical environmental obligations for the Company's Canadian projects. Mr Uren has a background in environmental management and permitting and continues as a consultant to the Company to provide assistance where required with the processes that the Company is required to follow pursuant to the various permits in place, as well as permit applications.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Related Party Options to the Related Parties.

10.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Related Party Options:

- (a) the related parties are Messrs Riekie and Uren and they are related parties by virtue of being a Director and a former Director, respectively;
- (b) the maximum number of Related Party Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is:
 - (i) 500,000 Related Party Options to Mr Riekie; and
 - (ii) 100,000 Related Party Options to Mr Uren.
- (c) the Related Party Options will be granted to the Related Parties no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules)

and it is anticipated the Related Party Options will be issued on one date;

- (d) the Related Party Options will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Related Party Options are set out in Schedule 5;
- (f) the value of the Related Party Options and the pricing methodology is set out in Schedule 6;
- (g) Related Parties do not currently have a relevant interest in the securities of the Company;
- (h) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year (1 July 2017 to 31 March 2018)	Previous Financial Year
David Riekie ¹	\$66,000	N/A
Shane Uren	\$27,000	\$43,638

- 1. Mr Riekie was appointed Managing Director on 5 April 2018.
- 2. Mr Uren resigned on 5 April 2018. The above \$27,000 is an estimate of fees owing/paid up to that time.

- (i) if all the Related Party Options are exercised, a total of 600,000 Shares would be issued. This will increase the number of Shares on issue from 115,503,888 to 116,113,888 (assuming that no other Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 0.52%, comprising 0.43% by Mr Riekie and 0.09% by Mr Uren.
- (j) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	40 cents	1 November 2017
Lowest	8.9 cents	21 September 2017
Last	19.5 cents	27 April 2017

- (k) the Board acknowledges the grant of Related Party Options to Mr Uren is contrary to Recommendation 8.3 of The Corporate Governance Principles and Recommendations with 2010 Amendments (2nd Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of Related Party Options to Mr Uren reasonable in the circumstances for the reason set out in paragraph (m);

- (l) the primary purpose of the grant of the Related Party Options to the Related Parties is to provide a performance linked incentive component in the remuneration package for the Related Parties to motivate and reward the performance of the Related Parties in their respective roles as Directors;
- (m) Mr Riekie declines to make a recommendation to Shareholders in relation to Resolution 13 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Options in the Company should Resolution 13 be passed. However, in respect of Resolution 14 Mr Riekie recommends that Shareholders vote in favour of that Resolution for the following reasons:
 - (i) the grant of Related Party to the Related Party was a previous commitment of the Company to align the interests of the Related Party with those of Shareholders;
 - (ii) the grant of the Related Party Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Related Party Options upon the terms proposed;
- (n) with the exception of Mr Riekie and Mr Uren, no other Director has a personal interest in the outcome of Resolutions 13 and 14;
- (o) Mr Moran and Mr D'Anna recommend that Shareholders vote in favour of Resolutions 13 and 14 for the reasons set out in paragraph (l).
- (p) in forming their recommendations, each Director considered the experience of each of the Related Parties, the current market price of Shares, the current market practices when determining the number of Related Party Options to be granted as well as the exercise price and expiry date of those Related Party Options; and
- (q) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 13 to 14.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Options to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

11. RESOLUTIONS 15 – 18 – ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTIES

11.1 General

The Company has agreed, subject to obtaining Shareholder approval, to grant a total of 8,000,000 Performance Rights (**Related Party Performance Rights**) to

Messrs Gino D'Anna, Russell Moran, David Riekie and Mr Shane Uren (or their nominees) (**Related Parties**), in the proportions and on the terms and conditions set out below:

Related Party	Class 1	Class 2	Class 3	Class 4	Class 5	Total
Gino D'Anna	275,000	275,000	275,000	275,000	275,000	1,375,000
Russell Moran	275,000	275,000	275,000	275,000	275,000	1,375,000
David Riekie	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Shane Uren	-	125,000	125,000	-	-	250,000

A summary of Chapter 2E of the Corporations Act and ASX Listing Rule 10.11 is set out in Sections 11.1 above.

The grant of the Related Party Performance Rights constitutes giving a financial benefit and Messrs D'Anna, Moran, Riekie and Mr Uren are related parties of the Company by virtue of being Directors or in Mr Uren's case a recent former Director. As noted in Section 10.1 above, Mr Uren voluntarily stepped down as a director in April 2018, however Mr Uren continues as a consultant based in Canada taking care of critical environmental obligations for the Company's Canadian projects.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As it is proposed that the Related Party Performance Rights be issued to all of the Company's Directors, the Directors have been unable to form quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act or ASX Listing Rule 10.12 applies to these issues. Accordingly, Shareholder approval is sought for the purpose of section 208 of the Corporations Act for the issue of the Related Party Performance Rights to the Directors.

11.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Related Party Performance Rights:

- (a) the related parties are Messrs D'Anna, Moran, Riekie and Uren and they are related parties by virtue of being Directors or a former Director;
- (b) the maximum number of Related Party Performance Rights (being the nature of the financial benefit being provided) to be granted to the Related Parties is:
 - (i) 1,375,000 Related Party Performance Rights to Mr D'Anna (or his nominee);
 - (ii) 1,375,000 Related Party Performance Rights to Mr Moran (or his nominee); and
 - (iii) 5,000,000 Related Party Performance Rights to Mr Riekie (or his nominee);

- (iv) 250,000 Related Party Performance Rights to Mr Uren (or his nominee);
- (c) the Related Party Performance Rights will be granted to the Related Parties no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Related Party Performance Rights will be issued on one date;
- (d) the Related Party Performance Rights will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Related Party Performance Rights are set out in Schedule 7;
- (f) the value of the Related Party Performance Rights and the pricing methodology is set out in Schedule 8;
- (g) the relevant interests of the Related Parties in securities of the Company are set out below:

Related Party	Shares	Options
Mr Gino D'Anna	11,868,785 ¹	3,000,000 ²
Mr Russell Moran	17,914,000	6,600,000 ²
Mr David Riekie	Nil	Nil
Mr Shane Uren	Nil	Nil

1. Securities are held by Mr Gino D'Anna <Internazionale A/C> and Mrs Rachel D'Anna.
2. Each Option is exercisable at \$0.25 each on or before 23 February 2022.

- (h) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year (30 June 2017)
Mr Gino D'Anna	\$198,000 ⁵	324,500 ¹
Mr Russell Moran	\$198,000 ⁵	314,500 ²
Mr David Riekie	\$66,000	Nil ³
Mr Shane Uren	\$27,000	102,083 ⁴

1. This figure includes a salary payment of \$252,000, a cash bonus of \$10,000 and a share based payment of \$62,500.
2. This figure includes a salary payment of \$252,000 and a share based payment of \$62,500.
3. Mr Riekie commenced as Managing Director on 6 April 2018 on consulting fees of \$22,000pm.
4. This figure includes a salary payment of \$43,638 and a share based payment of \$58,445.
5. This figure includes a salary payment of \$198,000 and a share based payment of \$62,500.

5. Mr Moran and Mr D'Anna stepped down as Executive Directors on 6 April 2018 to become Non-Executive Directors. The above fees are an estimate based on executive director fees for 9 months (\$21,000pm) and then Non-Executive Director fees (\$3,000pm) for 3 months. Messrs Moran and D'Anna may be paid consulting fees in addition to Non-Executive director's fees for consulting services beyond their directorship roles.
- (i) if the vesting conditions attaching to the Related Party Performance Rights are satisfied and all Related Party Performance Rights vest and are exercised, a total of 8,000,000 Shares would be issued. This will increase the number of Shares on issue from 115,503,888 to 123,503,888 (assuming that no other Options are exercised and no Shares other than those contemplated by the Resolutions of this Notice are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 6.48%, comprising 1.11% by Mr Gino D'Anna, 1.11% by Mr Russell Moran, 4.05% by Mr Riekie and 0.20% by Mr Shane Uren.
 - (j) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set in Section 10.2(j) above.
 - (k) the Board acknowledges the grant of Related Party Performance Rights to Mr Shane Uren is contrary to Recommendation 8.2 of The Corporate Governance Principles and Recommendations with 2010 Amendments (3rd Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of Related Party Performance Rights to Mr Shane Uren reasonable in the circumstances for the reason set out in paragraph (m);
 - (l) the primary purpose of the grant of the Related Party Performance Rights to the Related Parties is to provide a performance linked incentive component in the remuneration package for the Related Parties to motivate and reward the performance of the Related Parties in their respective roles as Directors;
 - (m) Mr Gino D'Anna declines to make a recommendation to Shareholders in relation to Resolution 15 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Performance Rights in the Company should Resolution 15 be passed. However, in respect of Resolutions 16, 17 and 18, Mr D'Anna recommends that Shareholders vote in favour of those Resolutions for the following reasons:
 - (i) the grant of Related Party Performance Rights to the Related Parties, in particular, the vesting conditions of the Related Party Performance Rights, will align the interests of the Related Parties with those of Shareholders;
 - (ii) the grant of the Related Party Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in

granting the Related Party Performance Rights upon the terms proposed;

- (n) Mr Russell Moran declines to make a recommendation to Shareholders in relation to Resolution 16 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Performance Rights in the Company should Resolution 16 be passed. However, in respect of Resolutions 15, 17 and 18, Mr Moran recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);
- (o) Mr David Riekie declines to make a recommendation to Shareholders in relation to Resolution 17 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Performance Rights in the Company should Resolution 17 be passed. However, in respect of Resolutions 15, 16 and 18, Mr Riekie recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);
- (p) Messrs D'Anna, Moran and Riekie all recommend that Shareholders vote in favour of Resolution 18 for the reasons set out in paragraph (m);
- (q) Mr Shane Uren is no longer a director of the Company and is not able to make a recommendation as a Director;
- (r) with the exception of Messrs D'Anna, Moran and Riekie, no other Director has a personal interest in the outcome of Resolutions 15 to 18;
- (s) in forming their recommendations, each Director considered the experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Related Party Performance Rights to be granted as well as the vesting conditions and expiry date of those Related Party Performance Rights; and
- (t) no loan is being provided in connection with the Related Party Performance Rights, as no payment is required to receive those Performance Rights;
- (u) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 15 to 18.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Performance Rights to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Performance Rights to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

12. RESOLUTIONS 19 AND 20 – ISSUE OF EXECUTIVE PERFORMANCE RIGHTS

12.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 3,000,000 Performance Rights to Ms Cherie Leeden and Mr Paul Fromson

(Executives) (or their nominees) **(Executive Performance Rights)** on the terms and conditions set out below.

Ms Leeden is the Company's Technical Director - iCobalt Canada - and Mr Fromson is the Company's Chief Financial Officer and Joint Company Secretary. The Executive Performance Rights are being granted as a remuneration incentive for each of the Executives. The Company is providing salary packages and incentives commensurate with other companies to secure the services of experienced and respected executives.

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

The effect of Resolutions 19 and 20 will be to allow the Company to issue the Executive Performance Rights during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

12.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Executive Performance Rights to be granted is 3,000,000;
- (b) the Executive Performance Rights will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Executive Performance Rights will occur on the same date;
- (c) the Executive Performance Rights will be issued for nil consideration, accordingly no funds will be raised;
- (d) the recipients of the Executive Performance Rights are Ms Cherie Leeden and Mr Paul Fromson (or their nominee) each of whom are not related parties of the Company;
- (e) the Terms and Conditions of the Executive Performance Rights are set out in Schedule 7.

GLOSSARY

\$ means Australian dollars.

Annual Report means the MetalsTech Limited Annual Report for the financial year end 30 June 2017.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Bankable Feasibility Study means a comprehensive study of a mineral deposit in which all geological, engineering, legal, operating, economic, social, environmental and other relevant factors are considered in sufficient detail that it could reasonably serve as the basis for a final decision by a financial institution to finance the development of the deposit for mineral production.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company or **MetalsTech** means MetalsTech Limited (ACN 612 100 464).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

iCobalt means iCobalt Limited (ACN 621 654 368).

iCobalt Share means a fully paid ordinary share in the capital of iCobalt.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Performance Rights or **Related Party Performance Rights** means a right to acquire a Share, subject to satisfaction of any vesting conditions, and the corresponding obligation of the Company to provide the Share, on the terms and conditions set out in Schedule 7.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

VWAP means volume weighted average Share price.

SCHEDULE 1 – TERMS AND CONDITIONS OF BROKER PERFORMANCE OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to the Options vesting pursuant to paragraph (d), the amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 1 November 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

Subject to any other terms required by the ASX, the Options vest and are exercisable at any time on and from that date when the Shares have traded at or above \$0.40 for 20 consecutive trading days until 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 15 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.

If a notice delivered under (g) or 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.

(l) **Transferability**

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

SCHEDULE 2 – TERMS AND CONDITIONS OF BROKER OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

The amount payable upon exercise of each Option will be \$0.30 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 1 November 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable any time up until 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 15 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.

If a notice delivered under clause (g) 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.

(l) **Transferability**

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

SCHEDULE 3 – TERMS AND CONDITIONS OF CONSULTANT OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

The amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 1 November 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable any time up until 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 15 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.

If a notice delivered under clause (g) 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.

(l) **Transferability**

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

SCHEDULE 4 – TERMS AND CONDITIONS OF EXECUTIVE OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

The amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 1 November 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable any time up until 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 15 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.

If a notice delivered under clause (g) 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.

(l) **Transferability**

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

SCHEDULE 5 – TERMS AND CONDITIONS OF RELATED PARTY OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

The amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 1 November 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable any time up until 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 15 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.

If a notice delivered under clause (g) 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.

(l) **Transferability**

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

SCHEDULE 6 – VALUATION OF RELATED PARTY OPTIONS

The Related Party Options to be issued to the Related Parties pursuant to Resolutions 12 and 13 have been valued by internal management.

The Company used a Black-Scholes model for valuation purposes with the key assumptions in the model as follows:

Assumptions:	
Valuation date	23 April 2018
Market price of Shares	21 cents (market price as at 23 April 2018)
Exercise price	25 cents
Expiry date (length of time from issue)	1 November 2021
Risk free interest rate	2.81%
Volatility (discount)	80%
Indicative value per Related Party Option	\$0.111
Total Value of Related Party Options	\$66,600
Recipient	David Riekie – 500,000 Related Party Options - \$55,500
	Shane Uren – 100,000 Related Party Options - \$11,100

SCHEDULE 7 - TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

A summary of the terms and conditions of the Performance Rights to be issued to Directors pursuant to Resolutions 15 to 18 (inclusive) and to Executives pursuant to Resolutions 19 and 20 are set out below:

- (a) **(Milestones):** The Performance Rights will have the following milestones attached to them:
 - (i) **Class 1 Performance Rights:** the Performance Rights convert to Shares upon the Company achieving a JORC Compliant Inferred Resource at any of its current or future projects within the next 3 years;
 - (ii) **Class 2 Performance Rights:** the Performance Rights convert to Shares upon the achievement of a 20-day VWAP share price >AUD\$0.40 within the next 3 years;
 - (iii) **Class 3 Performance Rights:** the Performance Rights convert to Shares upon the achievement of a 20-day VWAP share price >AUD\$0.60 within the next 3 years;
 - (iv) **Class 4 Performance Rights:** the Performance Rights convert to Shares upon the Company achieving delivery of a commercial Pre-Feasibility Study on any of its current or future projects within the next 5 years;
 - (v) **Class 5 Performance Rights:** the Performance Rights convert to Shares upon completion of first material binding offtake agreement, major project financing (>A\$20 million) or major farm-out for any of the Company's current or future projects within the next 5 years,

(each a **Milestone**).
- (b) **(Notification to holder):** The Company shall notify the holder in writing when the Milestone has been satisfied.
- (c) **(Conversion):** Subject to paragraph (m), upon vesting, each Performance Right will, at the election of the holder, convert into one Share.
- (d) **(Share ranking):** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (e) **(Application to ASX)** The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.
- (f) **(Transfer of Performance Rights):** The Performance Rights are not transferable.
- (g) **(Lapse of a Performance Right):** If the Milestone attached to the relevant Performance Right has not been satisfied within the time period set out in paragraph (a), the relevant Performance Rights will automatically lapse.
- (h) **(Participation in new issues)** A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

- (i) **(Reorganisation of capital)** If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.
- (j) **(Adjustment for bonus issue)** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.
- (k) **(Dividend and Voting Rights):** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (l) **(Change in Control):** Subject to paragraph (m), upon:
 - (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
 - (B) having been declared unconditional by the bidder; or
 - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then, to the extent Performance Rights have not converted into Shares due to satisfaction of the Milestone, Performance Rights will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis.

- (m) **(Deferral of conversion if resulting in a prohibited acquisition of Shares):** If the conversion of a Performance Right under paragraph (c) or (l) would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) **(General Prohibition)** then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:
 - (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition;
 - (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (m)(i) within seven days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right

will not result in any person being in contravention of the General Prohibition.

- (n) **(No rights to return of capital)** A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (o) **(Rights on winding up)** A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- (p) **(No other rights)** A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (q) **(Subdivision 83AC-C):** Subdivision 83A-C of the Income Tax Assessment Act 1997 applies to the Performance Rights.
- (r) **(Ceasing to be an Executive):** If a holder's services agreement with the Company is terminated, the holder will continue to have legal ownership of all Performance Rights that remain unvested from the date of termination until the date which is 12 months from the date of termination. On the date which is 12 months from the date of termination, any Performance Rights that remain unvested will be forfeited by the holder and cancelled by the Company.

SCHEDULE 8 – VALUATION OF RELATED PARTY PERFORMANCE RIGHTS

The Related Party Performance Rights to be issued to the Related Parties pursuant to Resolutions 15 to 18 have been valued by internal management.

The Company considered various pricing models including Black-Scholes and Binomial theorem for valuation purposes; however, due to the shortcomings of these pricing models for performance rights when the consideration payable on conversion date is zero, an agreed valuation based on market value adjusted for probability of conversion of rights has been selected. The key assumptions are as follows:

Assumptions:	
Valuation date	23 April 2018
Market price of Shares	21 cents per share (market closing price on 23 April 2018)
Risk free interest rate	2.81%
Volatility (discount)	80%
Probability Weightings	Class 1: 25% Class 2: 20% Class 3: 10% Class 4: 10% Class 5: 10%
Class 1: Indicative value per Related Party Performance Right	5.25 cents
Class 2: Indicative value per Related Party Performance Right	4.2 cents
Class 3: Indicative value per Related Party Performance Right	2.1 cents
Class 4: Indicative value per Related Party Performance Right	2.1 cents
Class 5: Indicative value per Related Party Performance Right	2.1 cents
Total Value of Performance Rights	\$252,000
Recipient	Russell Moran – 1,375,000 Performance Rights
	Gino D'Anna – 1,375,000 Performance Rights
	David Riekie – 5,000,000 Performance Rights
	Shane Uren – 250,000 Performance Rights

PROXY FORM

METALSTECH LIMITED
ACN 612 100 464

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: ☐ the Chair of the Meeting as my/our 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, at the Meeting to be held at 11.00 am (WST), on 22 June 2018 at the Company offices, Unit 1, 44 Denis Street, Subiaco WA 6008, and at any adjournment thereof.

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 13 to 18 (except where I/we have indicated a different voting intention below) even though Resolutions 13 to 18 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Ratification of Prior Issue – Shares - Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Prior Issue – Shares - Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Prior Issue – Shares - Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Prior Issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Performance Options to Broker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of Prior Issue – Broker Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of Prior Issue – Broker Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Ratification of Prior Issue – Shares – DG Resource Management Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Ratification of Prior Issue – Shares – Gino Chitaroni	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Issue of Consultant Options to Qingtao Zeng	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Ratification of Prior Issue - Shares to Acquire Rusty Lake Cobalt Project	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12	Issue of Options to Executive – Cherie Leeden	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13	Issue of Options to Related Party – David Riekie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 14	Issue of Options to Related Party – Shane Uren	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 15	Grant of Performance Rights to Related Party – Gino D'Anna	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 16	Grant of Performance Rights to Related Party – Russell Moran	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 17	Grant of Performance Rights to Related Party – David Riekie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 18	Grant of Performance Rights to Related Party – Shane Uren	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 19	Grant of Performance Rights to Executive – Cherie Leeden	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 20	Grant of Performance Rights to Executive – Paul Fromson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date:

Contact name:

Contact ph (daytime):

E-mail address:

**Consent for contact by e-mail
in relation to this Proxy Form:**

YES ☐ NO ☐

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(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 of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to MetalsTech Limited, Unit 1, 44 Denis Street, Subiaco WA 6008; or
 - (b) email to the Company at info@metals-tech.net,so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.