

30 July 2020

Dear Shareholder,

HIGH GRADE METALS LIMITED – RIGHTS ISSUE

High Grade Metals Limited [ACN 062 879 583] (ASX:HGM) (**HGM** or the **Company**) announced to ASX on 24 July 2020 that it will be conducting a pro-rata non-renounceable rights issue to allow Eligible Shareholders (defined below) to apply for one new HGM share (**New Share**) for every four ordinary HGM shares held at an issue price of \$0.005 (0.5 cents) per New Share to raise approximately \$565,000 million before costs (**Rights Issue**).

The Rights Issue offer is only made to holders of ordinary shares in the Company who have a registered address in Australia or New Zealand as at 7:00pm (Melbourne time) on 29 July 2020 (**Record Date**) (**Eligible Shareholders**).

The Company is conducting the Rights Issue pursuant to a prospectus that the Company lodged with ASIC and released to ASX on 24 July 2020 (**Prospectus**).

The Rights Issue is not underwritten. In the event that, following the close of the Rights Issue, a shortfall of shares remain (**Shortfall Shares**), the Directors reserve the right to place such Shortfall Shares as described in the Prospectus.

The Company will use the proceeds of the Rights Issue as set out in the Prospectus released to ASX. Further details of the Rights Issue are set out in the Prospectus and Appendix 3B released to ASX.

In accordance ASX Listing Rule 7.7.1(b), HGM hereby advises that it will not be offering New Shares under the Rights Issue to you. You will not be receiving a copy of the Prospectus and the entitlement and acceptance form and New Shares under the Rights Issue will not be offered or made available to you.

If you have any questions please do not hesitate to contact the Company on +61 3 9614 0600.

Yours sincerely,



Adrien Wing
Director and Company Secretary

High Grade Metals Ltd

ACN: 062 879 583
ASX: HGM

Issued Capital

452,937,867 Shares
135,500,000 Options
240,000,000 Perf Shares

Australian Registered Office

Level 2, 480 Collins Street
Melbourne VIC 3000

Directors

Anthony Hall – Executive Chairman
Brad Drabsch – Executive Director
Steve Formica – Non-Executive Director
Dennis Morton – Non-Executive Director
Adrien Wing – Non-Executive Director / Company Secretary