



Announcement Summary

Entity name

METALS AUSTRALIA LTD

Announcement Type

New announcement

Date of this announcement

Thursday August 20, 2020

The Proposed issue is:

☒ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

| ASX +security code | +Security description | Maximum Number of +securities to be issued |
|--------------------|---|--|
| n/a | Options to acquire fully paid ordinary shares with an exercise price of \$0.0035 up to 1 June 2022. | 1,002,508,021 |
| MLS | ORDINARY FULLY PAID | 967,508,021 |

Proposed +issue date

Wednesday August 26, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

METALS AUSTRALIA LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

38008982474

1.3 ASX issuer code

MLS

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Thursday August 20, 2020

1.6 The Proposed issue is:

☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ Yes

7A.1a Conditions

| Approval/Condition | Date for determination | Is the date estimated or actual? | ** Approval received/condition met? |
|---------------------------|--------------------------|---|-------------------------------------|
| +Security holder approval | Thursday October 1, 2020 | <input checked="" type="checkbox"/> Estimated | No |

Comments

Shareholder approval is required for the Trache II shares, the TI and TII options, and the options being issued to the lead manager of the placement.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ Yes

Details of +securities proposed to be issued

ASX +security code and description

MLS : ORDINARY FULLY PAID

Number of +securities proposed to be issued

967,508,021

Offer price details



Are the +securities proposed to be issued being issued for a cash consideration?

☒ Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.00187

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

☒ New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ Yes

ASX +security code

New class-code to be confirmed

+Security description

Options to acquire fully paid ordinary shares with an exercise price of \$0.0035 up to 1 June 2022.

+Security type

Options

Number of +securities proposed to be issued

1,002,508,021

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No



Please describe the consideration being provided for the +securities

967,508,021 options are free attaching to the shares being issued.
35,000,000 options are being issued free to the lead manager of the placement.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0035

Expiry date

Wednesday June 1, 2022

Details of the type of +security that will be issued if the option is exercised

MLS : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

1

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Part 7C - Timetable

7C.1 Proposed +issue date

Wednesday August 26, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

Thursday October 1, 2020



7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ Yes

7E.1a Who is the lead manager/broker?

Sanlam Private Wealth Pty Ltd.

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

6% fee on capital raised.
35,000,000 options exercisable at \$0.0035 at any time up to 1 June 2022.
Corporate administration of \$5,000.

7E.2 Is the proposed issue to be underwritten?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

To raise funds for exploration and project development and working capital including the review of complementary project acquisition and farm-in opportunities.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue