
METALSTECH LIMITED

ACN 612 100 464

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10.30 am (WST)

DATE: 8 November 2019

PLACE: Unit 1, 44 Denis 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 10.30 am (WST) on 6 November 2019.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2019.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – SHARES ISSUED FOR SERVICES

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 this Resolution by or on behalf of a person who participated in the issue and 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 3 – RATIFICATION OF PRIOR ISSUE – SHARES ISSUED FOR SERVICES

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 this Resolution by or on behalf of a person who participated in the issue and 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 4 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and 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.

6. RESOLUTION 5 – RE-ELECTION OF DIRECTOR – MR RUSSELL MORAN

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

“That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Russell Moran, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

7. RESOLUTION 6 – RE-ELECTION OF DIRECTOR – DR QINGTAO ZENG

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

“That, for the purpose of clause 14.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Dr Qingtao Zeng, a Director elected to fill a vacancy, and being eligible, is re-elected as a Director.”

8. RESOLUTION 7 – RE-ELECTION OF DIRECTOR – MR NOEL O’BRIEN

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

“That, for the purpose of clause 14.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Noel O’Brien, a Director elected to fill a vacancy, and being eligible, is re-elected as a Director.”

Dated: 1 October 2019

By order of the Board

MR GINO D’ANNA
Company Secretary and Non-Executive 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. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <http://www.metalstech.net/>.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

3. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – SHARES FOR SERVICES

3.1 General

On 16 November 2018, the Company issued 600,000 Shares in payment for geological services.

Resolution 2 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.

3.2 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 were issued;
- (b) The closing share price on the last day of trading prior to the issue of the shares (14 November 2018) was \$0.048;
- (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 as payment for geological services provided. DG Resource Management Ltd is not a related party of the Company;
- (e) the shares were issued for a total value of \$28,217 being the value of the invoice satisfied by the issue of the shares; and
- (f) there were no funds raised from this issue.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – SHARES ISSUED FOR SERVICES

4.1 General

On 16 November 2018, the Company issued 100,000 Shares in satisfaction of general business development consulting fees.

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.

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) 100,000 Shares were issued;
- (b) The closing share price on the last day of trading prior to the issue of the shares (14 November 2018) was \$0.048;
- (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 Tonehill Pty Ltd in satisfaction of general business development consulting fees. Tonehill Pty Ltd is not a related party of the Company;
- (e) the shares were issued for \$4,400 with a deemed issue price of \$0.044 being the closing price on the date of issue of the shares (16 November 2018); and
- (f) there were no funds raised from this issue.

5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY

5.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$2.1M (based on the number of Shares on issue and the closing price of Shares on the ASX on 27 September 2019).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: MTC).

If Shareholders approve Resolution 4, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
 - (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (i) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
 - (ii) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.

- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

5.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 4:

(i) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (A) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (B) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 5.2(i)(A), the date on which the Equity Securities are issued.

(ii) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (A) 12 months after the date of this Meeting; and
- (B) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(iii) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 27 September 2019.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	0.009 50% decrease in Issue Price	0.018	0.027 50% increase in Issue Price
116,953,888 (Variable A)	Shares issued - 10% voting dilution	11,695,389 Shares	11,695,389 Shares	11,695,389 Shares
	Funds raised	\$105,258.50	\$210,517.00	\$315,775.50
175,430,832 (50% increase in Variable A)	Shares issued - 10% voting dilution	17,543,083 Shares	17,543,083 Shares	17,543,083 Shares
	Funds raised	\$157,887.75	\$315,775.49	\$473,663.24
233,907,776 (100% increase in Variable A)	Shares issued - 10% voting dilution	23,390,778 Shares	23,390,778 Shares	23,390,778 Shares
	Funds raised	\$210,517.00	\$421,034.00	\$631,551.01

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 116,953,888 Shares on issue as at the date of this Notice of Meeting.
2. The issue price set out above is the closing price of the Shares on the ASX on 27 September 2019.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (A) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (B) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(iv) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (A) as cash consideration in which case the Company intends to use funds raised for continued exploration expenditure on the Company's current exploration assets, including the Cancet Lithium Project, the Adina Lithium Project, the Terre des Montagnes Lithium Project. Funds will be used for exploration including drilling, mapping, metallurgical analysis, feasibility studies and ongoing project administration. Funds will also be applied towards general working capital; or
- (B) as non-cash consideration for the acquisition of new assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(v) **Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (A) the purpose of the issue;
- (B) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (C) the effect of the issue of the Equity Securities on the control of the Company;
- (D) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (E) prevailing market conditions; and
- (F) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(vi) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval under ASX Listing Rule 7.1A. at its 2018 AGM held on 29 November 2018.

(vii) **Requirements of Listing Rule 7.3A.6 – Securities Issued in the Prior 12 Months**

Issue of ordinary fully paid shares in the prior 12 months				
Date	\$	No.	Issue price	Notes
		116,253,888		Total shares on issue 12 months ago
16/11/2018	4,400	100,000	0.044	Issue of shares to pay for services. At the current share price of \$0.018 the value of the shares issued to acquire the projects would be \$1,800.
16/11/2018	28,217	600,000	0.047	Issue of shares to pay for geological services. At the current share price of \$0.018 the value of the shares issued to acquire the projects would be \$10,800.
Total shares issued in last 12 months		700,000		
Total shares now on issue		116,953,888		

Issue of Options in the prior 12 months

There were no issue of options in the prior 12 months.

The following options are on issue:

Unquoted Options over Unissued Shares

Expiry Date	Exercise Price	Number
24 Feb 2020	\$0.25	5,800,000
8 July 2021	\$0.25	9,600,000
1 Aug 2020	\$0.25	500,000
10 Aug 2020	\$0.25	500,000
1 Nov 2020	\$0.30	100,000
1 Nov 2020	\$0.25	1,600,000
1 Nov 2021	\$0.25	100,000
		<u>18,200,000</u>

Issue of Performance rights in the prior 12 months

There were no issues of Performance Rights in the prior 12 months.

The following Performance Rights are on issue:

Class 1	Class 2	Class 3	Class 4	Class 5	Total
700,000	825,000	825,000	700,000	700,000	3,750,000

None of the above performance rights have vested to date.

Performance Milestones:

- **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;
- **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;
- **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;
- **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;
- **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.

The starting date for the expiry time frames is the issue date of 29 June 2018.

(viii) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (A) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (B) the information required by Listing Rule 3.10.5A for release to the market.

5.3 **Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 4.

Movement in Total Securities on Issue in Last 12 Months

	Shares	Options	Performance Rights	Total
Securities on Issue 12 months prior to this Notice	116,253,888	18,200,000	3,750,000	138,203,888
Total securities issued in 12 month period	700,000	-	-	700,000
Movement in securities on issue expressed as a percentage of securities on issue 12 months prior to this Notice				0.5%

6. RESOLUTION 5 – RE-ELECTION OF DIRECTOR – MR RUSSELL MORAN

6.1 General

Section 14.2 of the Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Russell Moran, who has served as a director since 25 May 2016, retires by rotation and seeks re-election.

6.2 Qualifications and other material directorships

Mr Moran is a founder and Executive Director of the Company. Mr Moran has significant primary and secondary capital markets experience and has extensive experience in resource exploration, public company operations and administration and financial management.

Mr Moran is currently a Director of 3G Coal Limited, and was previously a director of K2fly Limited (ASX: K2F).

6.3 Independence

If elected the board does not consider Mr Moran will be an independent director.

6.4 Board recommendation

The Board supports the re-election of Mr Moran and recommends that Shareholders vote in favour of Resolution 5.

7. RESOLUTION 6 – RE-ELECTION OF DIRECTOR – DR QINGTAO ZENG

7.1 General

Section 14.4 of the Constitution sets out that a Director appointed to fill a casual vacancy during the year will only hold office until the next annual general meeting and is then eligible for re-election.

Dr Q Zeng was appointed a director on 17 June 2019 and being eligible seeks re-election.

7.2 Qualifications and other material directorships

Dr Zeng is an experienced geologist with a PhD (Geology) from the University of Western Australia. He has linked several Australian companies with Chinese counterparties and has negotiated offtake agreements on behalf of some Western Australian spodumene concentrate producers and Chinese lithium carbonate and lithium hydroxide chemical

manufacturers. He is a Director of Zinciferous Limited, which has interests in the Tianyuan lithium carbonate facility in China.

7.3 Independence

If re-elected the board considers Dr Zeng will be an independent director.

7.4 Board recommendation

The Board supports the re-election of Dr Zeng and recommends that Shareholders vote in favour of Resolution 6.

8. RESOLUTION 7 – RE-ELECTION OF DIRECTOR – MR NOEL O'BRIEN

8.1 General

Section 14.4 of the Constitution sets out that a Director appointed to fill a causal vacancy during the year will only hold office until the next annual general meeting and is then eligible for re-election.

Mr Noel O'Brien was appointed a director on 17 June 2019 and being eligible seeks re-election.

8.2 Qualifications and other material directorships

Mr O'Brien is a metallurgist and lithium processing expert, who has advised Alliance Mineral Assets (Bald Hill Mine, WA) (ASX: A40), Kidman Resources (Mt Holland Mine) (ASX: KDR), Galaxy Resources (Mt Caitlin Mine) (ASX: GXY) and Zinciferous Limited on its technical due diligence of the Tianyuan lithium carbonate facility in China. He has a deep understanding of the lithium market, processing expertise in smelting, gravity separation, flotation, leaching and solvent extraction.

8.3 Independence

If re-elected the board considers Mr O'Brien will be an independent director.

8.4 Board recommendation

The Board supports the re-election of Mr O'Brien and recommends that Shareholders vote in favour of Resolution 7.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 4.1.

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

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.

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:

- (i) a spouse or child of the member;
- (ii) a child of the member's spouse;
- (iii) a dependent of the member or the member's spouse;
- (iv) 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;
- (v) a company the member controls; or
- (vi) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company 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.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

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.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2019.

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.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

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

PROXY FORM

METALSTECH LIMITED
ACN 612 100 464

ANNUAL 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 10.30 am (WST), on 8 November 2019 at Unit 1, 44 Denis Street Subiaco WA 6008 Australia, 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 Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 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 ADOPTION OF REMUNERATION REPORT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 RATIFICATION OF PRIOR ISSUE – SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 RATIFICATION OF PRIOR ISSUE – SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 APPROVAL OF 10% PLACEMENT CAPACITY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 ELECTION OF DIRECTOR – MR RUSSELL MORAN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 ELECTION OF DIRECTOR – MR QINGTAO ZENG	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 ELECTION OF DIRECTOR – MR NOEL O'BRIEN	<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@metalstech.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.