

Europa Metals Ltd
(Incorporated and registered in Australia
and registered as an external company in
the Republic of South Africa)
(Registration number 4459850)
(External company registration number 2011/116305/10)
Share code on the ASX: EUZ
Share code on AIM: EUZ
Share code on the JSE: EUZ
ISIN: AU0000014342
("the Company")
Result of Annual General Meeting

Notice of Annual General Meeting

Europa Metals, the European focused lead-zinc and silver developer, announces that it will hold an Annual General Meeting of Shareholders at 10.00 a.m. (UK time) on Monday, 30 November 2020 by way of a Virtual Meeting Facility (the "Virtual Meeting"). The formal Notice of Meeting and associated documentation relating to the Annual General Meeting have been submitted to ASIC.

In light of the evolving COVID-19 situation and UK Government restrictions on public gatherings in place at the date of the Notice of Meeting, the Directors have made a decision that there will not be a physical meeting where Shareholders can attend in person. Accordingly, the Directors strongly encourage all Shareholders to either lodge a directed proxy form prior to the Meeting or attend and vote online at the Virtual Meeting.

In accordance with temporary modifications to the Corporations Act under the Corporations (Coronavirus Economic Response) Determination (No. 3) 2020, the Company is not sending hard copies of the Notice of Meeting to Shareholders. _

The Notice and the accompanying Explanatory Statement are set out in full at the end of this announcement and should be read in their entirety. In addition, the Notice can be viewed and downloaded from the Company's website via the following link:
<http://www.europametals.com/site/aim-rule-261/shareholder-communication1>

Defined terms used in this announcement have the same meaning as those ascribed to them in the Notice unless the context requires otherwise.

For further information on the Company, please visit www.europametals.com or contact:

Europa Metals Ltd

Dan Smith, Non-Executive Director and Company Secretary (Australia)
T: +61 417 978 955

Laurence Read, CEO (UK)
T: +44 (0)20 3289 9923

Linkedin: Europa Metals Ltd

Twitter: [@europametals@tavistock.co.uk](https://twitter.com/europametals)

Vox: Europametals

Strand Hanson Limited (Nominated Adviser)

Rory Murphy/Matthew Chandler
T: +44 (0)20 7409 3494

Tavistock (PR and IR)

Emily Fenton, Barney Hayward, Oliver Lamb

T: +44 (0) 207 920 3150 / EuropaMetals@Tavistock.co.uk

Turner Pope Investments (TPI) Limited (Broker)

Andy Thacker

T: +44 (0)20 3657 0050

Sasfin Capital Proprietary Limited (a member of the Sasfin group)

Sharon Owens

T (direct): +27 11 809 7762

United Kingdom

2 November 2020

Europa Metals Ltd

ACN 097 532 137

NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY STATEMENT TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the members of Europa Metals Ltd (the **Company**) will be held on the date and at the location and time specified below:

DATE: Monday, 30 November 2020

LOCATION: By Virtual Meeting Facility

TIME: 10.00 a.m. UK time / 12.00 a.m. SA time / 6.00 p.m. AWST

BUSINESS: The business of the Annual General Meeting is to consider and if thought fit to pass the Resolutions set out in the enclosed agenda.

In light of the evolving COVID-19 situation and UK Government restrictions on public gatherings in place at the date of this Notice of Meeting, the Directors have made a decision that there will not be a physical meeting where Shareholders can attend in person. Accordingly, the Directors strongly encourage all Shareholders to either lodge a directed proxy form prior to the Meeting or attend and vote online at the Virtual Meeting.

In accordance with subsection 5(f) of the Corporations (Coronavirus Economic Response) Determination (No. 3) 2020, the Company will not be dispatching physical copies of the Notice. For Shareholders where the Company has email addresses on record, the Company will send a copy of this Notice and other material relating to the Meeting or provide a link to where the Notice and other material can be viewed or downloaded by email. To other Shareholders, the Company will send a letter or postcard setting out a URL for viewing or downloading the Notice and other material.

Shareholders can access a copy of the Notice at the following link: <http://www.europametals.com/site/aim-rule-261/shareholder-communication1>.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Mr Dan Smith on +61 (8) 9486 4036 or by email at Dsmith@europametals.com. Alternatively, you should consult your licensed financial adviser, stockbroker or other professional adviser.

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

In light of the evolving COVID-19 pandemic and the UK Government's public health laws and restrictions on public gatherings in place on the date of this Notice of Meeting, the Directors have made a decision that there will not be a physical meeting where Shareholders can attend in person, instead the Meeting will be held through the Virtual Meeting Facility. Shareholders are therefore strongly urged to either lodge a proxy or vote online as soon as practicable or attend the Meeting via the Virtual Meeting Facility (see below).

The current situation is evolving and the UK Government may change the current restrictions or implement further measures relating to the holding of public gatherings during the affected period. The Company will make any further announcement(s) that may be required in this regard by way of a regulatory information service and the Company's website.

YOUR VOTE IS IMPORTANT

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

VOTING AND PARTICIPATING IN THE MEETING BY VIRTUAL MEETING FACILITY

Virtual Meeting Facility

Shareholders who wish to participate in the Annual General Meeting to be held on **Monday, 30 November 2020 at 10.00 a.m. (UK time) / 6.00 p.m. (AWST)** may do so by dialling into the virtual meeting facility (**Virtual Meeting Facility**).

To dial into the Virtual Meeting Facility please follow the below steps:

- Copy the following link to your web browser:
<https://zoom.us/j/2659187498?pwd=emxWT1FuRFluTEc4cFFubktrdXNJQT09>
- Meeting ID: 265-918-7498
- Password: 555555.
- One tap mobile:
 1. Australia: +61 8 7150 1149; +61 2 8015 6011; +61 3 7018 2005
 2. South Africa: +27 87 551 7702; +27 87 550 3946
 3. United Kingdom: +44 203 481 5240; +44 131 460 1196; +44 203 051 2874

The Company appreciates the understanding of its Shareholders during this difficult situation due to the COVID-19 pandemic.

Shareholders who attend the Meeting virtually will be able to watch, listen, submit written questions and participate in all poll votes put to the Meeting.

Shareholders who intend to participate, and/or vote on a poll at the Meeting, must contact the Company at Dsmith@europametals.com notifying the Company that you intend to participate and/or vote on a poll at the Meeting by emailing the Company a poll form. You will also need to register and access the Meeting by videoconference to follow the meeting and timing of the poll as set out above. After receiving such notice and after 10.30 a.m. (UK time) on the day of the Meeting, the Company will send you a personalised poll form. The personalised poll form must be completed and returned to the Company after the poll has been called and prior to the close of polling. During the Meeting, the Chairman will notify you when and how you are able to complete and return the personalised poll form. The results of the Meeting are then expected to be announced on a regulatory news service later that day.

Asking Questions at the Meeting

The Virtual Meeting Facility will include the ability for Shareholders to ask questions in relation to the business of the Meeting.

Shareholders are also invited to submit questions in advance of the Meeting. You may send questions in writing to the share registry at the address set out on the proxy form or email your questions to the Company Secretary at: Dsmith@europametals.com.

Please ensure that your questions are received no later than 5.00 p.m. (UK time) on Friday, 27 November 2020.

Further information and support on how to use the Virtual Meeting Facility is available on the Company's website.

VOTING IN PERSON

In light of the status of the evolving COVID-19 situation and UK Government restrictions on public gatherings in place on the date of this Notice of Meeting, the Directors have made a decision that there will not be a physical meeting where Shareholders can attend in person.

Accordingly, the Directors strongly encourage all Shareholders to either lodge a directed proxy form or vote online prior to the Meeting. Shareholders who attend the Meeting virtually will be able to watch, listen, submit written questions and participate in all poll votes put to the Meeting.

For their votes to be counted, DI Holders must submit their CREST Voting Instruction to the Company's agent by the required cut-off time set out below. Alternatively, DI Holders can vote using the enclosed Form of Instruction as per the instructions set out below.

VOTING BY PROXY

Shareholders are strongly urged to appoint the Chairman of the Meeting as their proxy. Shareholders can complete the proxy form to provide specific instructions on how a shareholder's vote is to be cast on each item of business and the Chairman of the Meeting must follow your instructions.

Australia (Proxy Forms)

To vote by proxy, please complete and sign the enclosed Proxy Form and return it 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:

- A Shareholder (either an individual or a body corporate) who is entitled to attend and vote at the Meeting is entitled to appoint a proxy which may be a body corporate or an individual.
- A proxy need not be a Shareholder.
- A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the total votes. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company's share registry or you may copy the enclosed Proxy Form. To appoint a second proxy, you must follow the instructions on the Proxy Form.

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy and Shareholders and their proxies should be aware of these provisions which generally provide that:

- (a) if proxy holders vote, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chairman, who must vote the proxies as directed.

If the proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on that resolution on a show of hands.

The enclosed Proxy Form provides further details on voting entitlement, appointing proxies and lodging proxy forms. To vote by proxy, please complete, sign and return the enclosed Proxy Form. In order for it to be valid, your Proxy Form (and any power of attorney under which it is signed) must be received at one of the addresses given below at least 48 hours before the Meeting, being by 10.00 a.m. (UK time)/6.00 p.m. (AWST) on 28 November 2020. Any Proxy Form received after that time will not be valid for the Meeting.

Online	at www.investorvote.com.au
By mail	Share Registry - Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR Code on your Proxy Form and follow the prompts
Custodian voting	For Intermediary Online subscribers only (custodians), please visit www.intermediaryonline.com to submit your voting intentions.

South Africa (Proxy Forms)

The enclosed Proxy Form provides further details on voting entitlement, appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Meeting.

To vote by proxy, please complete and sign the Proxy Form enclosed and deliver the Proxy Form to:

Computershare Investor Services (Proprietary) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 South Africa Private Bag X9000, Saxonwold, 2132) or email to: proxy@computershare.co.za to reach them by no later than **12h00 (SA time) 27 November 2020**.

All beneficial owners whose shares have been dematerialised through a CSDP or broker other than with "own-name" registration, must provide the CSDP or broker with their voting instructions in terms of their custody agreement should they wish to vote at the AGM. Alternatively, they may request the CSDP or broker to provide them with a letter of representation, in terms of their custody agreements, should they wish to attend the AGM. Such shareholder must not complete the attached form of proxy.

Salient Dates for shareholders on the South African Register

Record date to receive the notice of the Annual General Meeting	Friday, 23 October 2020
Last date to trade to be eligible to vote	Tuesday, 24 November 2020
Record date to be eligible to vote	Friday, 27 November 2020
Proxy forms to be received by Computershare 12h00 (SA Time)	Friday, 27 November 2020
Annual General Meeting 12h00 SA time	Monday, 30 November 2020

United Kingdom (CREST Voting Instructions)

Holders of Depositary Interests in CREST may transmit voting instructions by utilising the CREST voting service in accordance with the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf.

In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (a **CREST Voting Instruction**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com/CREST).

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company's agent (3RA50) by no later than **10.00 a.m. (UK time) on Thursday, 25 November 2020**. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST. Holders of Depositary Interests in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the DI Holder concerned to take (or, if the DI Holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by any particular time. In this regard, DI Holders and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

United Kingdom (Form of Instruction)

Alternatively, DI Holders can vote by completing, signing and returning the enclosed Form of Instruction to the Company's agent (3RA50) no later than **10.00 a.m. (UK time) on 25 November 2020**.

CUSTODIAN VOTING

For Intermediary Online subscribers only (custodians), please visit www.intermediaryonline.com to submit your voting intentions.

VOTING VIA POLL

All Resolutions under this Notice will be determined by way of a poll.

Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at dsmith@europametals.com by 5.00 p.m. (UK time) on Friday, 27 November 2020.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. Shareholders are limited to a maximum of two questions each (including any submitted in advance of the Meeting). The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

Europa Metals Ltd

ACN 097 532 137

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of Shareholders of Europa Metals Ltd will be held at 10.00 a.m. (UK time) / 6.00 p.m. (AWST) on Monday, 30 November 2020 by way of a Virtual Meeting Facility.

The Explanatory Statement to this Notice of Meeting provides additional information on the matters to be considered at the Meeting and a glossary of defined terms not defined in full in this Notice. The Explanatory Statement and the enclosed Proxy Form, or Form of Instruction if you are a DI Holder, form part of this Notice of Meeting.

The Board has determined, pursuant to Regulations 7.11.37 and 7.11.38 of the Corporations Regulations, that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at **6.00 p.m. (AWST) on 28 November 2020**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

AGENDA

FINANCIAL STATEMENTS AND DIRECTORS' REPORT

The financial statements, Directors' Report and Auditor's Report for the year ended 30 June 2020 are to be tabled.

RESOLUTIONS

1. Re-election of Evan Kirby as a director

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

"That Mr Evan Kirby, having been appointed as a director in accordance with clause 11.11 of the Constitution by resolution of the Board, retires in accordance with clause 11.3 of the Constitution and being eligible, offers himself for election, be re-elected as a director of the Company."

The Chairman intends to vote all undirected proxies **IN FAVOUR** of Resolution 1.

2. Grant of Incentive Options to, a related party, Laurence Read

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

"That, for the purposes of sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve and authorise the grant of up to 600,000 Incentive Options to Mr Laurence Read (or his nominee) under the Incentive Plan and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Prohibition and Exclusion: Votes must not be cast on this Resolution by or on behalf of Laurence Read or his associates (**Resolution 2 Excluded Party**). However, this does not prevent the casting of a vote if: (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and (b) it is not cast on behalf of the Resolution 2 Excluded Party.

The Chairman intends to exercise all undirected proxies **IN FAVOUR** of Resolution 2.

3. Grant of Incentive Options to, a related party, Myles Champion

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

“That, for the purposes of sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve and authorise the grant of up to 600,000 Incentive Options to Mr Myles Campion (or his nominee) under the Incentive Plan and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Prohibition and Exclusion: Votes must not be cast on this Resolution by or on behalf of Myles Campion or his associates (**Resolution 3 Excluded Party**). However, this does not prevent the casting of a vote if: (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and (b) it is not cast on behalf of the Resolution 3 Excluded Party.

The Chairman intends to exercise all undirected proxies **IN FAVOUR** of Resolution 3.

4. Grant of Incentive Options to, a related party, Evan Kirby

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

“That, for the purposes of sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve and authorise the grant of up to 100,000 Incentive Options to Mr Evan Kirby (or his nominee) under the Incentive Plan and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Prohibition and Exclusion: Votes must not be cast on this Resolution by or on behalf of Evan Kirby or his associates (Resolution 4 Excluded Party). However, this does not prevent the casting of a vote if: (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and (b) it is not cast on behalf of the Resolution 4 Excluded Party.

The Chairman intends to exercise all undirected proxies **IN FAVOUR** of Resolution 4.

5. Grant of Incentive Options to, a related party, Daniel Smith

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

“That, for the purposes of sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve and authorise the grant of up to 100,000 Incentive Options to Mr Daniel Smith (or his nominee) under the Incentive Plan and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Prohibition and Exclusion: Votes must not be cast on this Resolution by or on behalf of Daniel Smith or his associates (Resolution 5 Excluded Party). However, this does not prevent the casting of a vote if: (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and (b) it is not cast on behalf of the Resolution 5 Excluded Party.

The Chairman intends to exercise all undirected proxies **IN FAVOUR** of Resolution 5.

6. Authority to allot securities for non-cash consideration purposes

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

“That Shareholders approve and authorise the Directors to allot new equity securities up to 50% of the issued share capital of the Company as at the date of the Meeting for non-cash consideration purposes and that this authority shall expire on the earlier of the conclusion of the next annual general meeting of the Company and the date of twelve (12) months from the date of passing this resolution, and otherwise on the terms and conditions set out in the Explanatory Statement.”

The Chairman intends to exercise all undirected proxies **IN FAVOUR** of Resolution 6.

7. Disapplication of Pre-emption Rights (authority to allot securities for cash consideration

purposes)

To consider, and if thought fit, to pass with or without amendment the following as a **Special Resolution**:

“That the Directors be authorised to allot and issue equity securities for cash limited to 24,565,324 equity securities (being equal to 50% of the issued share capital of the Company as at the date of the Notice of Meeting) and that this authority shall expire at the earlier of the conclusion of the next annual general meeting of the Company and the date of twelve (12) months from the date of passing this resolution.”

The Chairman intends to exercise all undirected proxies **IN FAVOUR** of Resolution 7.

BY ORDER OF THE BOARD



Daniel Smith
Director/Company Secretary
DATED 2 November 2020

Europa Metals Ltd

ACN 097 532 137

EXPLANATORY STATEMENT TO SHAREHOLDERS

INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders of the Company in connection with the Resolutions to be considered at the Annual General Meeting to be held by way of the Virtual Meeting Facility on Monday, 30 November 2020 at 10.00 a.m. (UK time) / 6.00 p.m. (AWST).

This Explanatory Statement should be read in conjunction with the accompanying Notice of Meeting.

The purpose of this Explanatory Statement is to provide information which the Board believes to be material to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice of Meeting.

FINANCIAL STATEMENTS AND DIRECTORS' REPORT

The Corporations Act requires the Directors' Report, the Auditor's Report and the annual financial report, including the financial statements, to be put before the Meeting. The Corporations Act does not require a vote of Shareholders at the Meeting on the reports or statements. However, Shareholders will be given an opportunity to raise questions on the reports and statements for the year ended 30 June 2020 at the Meeting.

1. RESOLUTION 1: RE-ELECTION OF DIRECTOR

Clause 11.3 of the Constitution provides that each year, at the annual general meeting, one-third of the directors, or, if their number is not three or a multiple of three, then the number nearest to one-third, must retire from office. A Director who retires in accordance with clause 11.3 of the Constitution is eligible for re-election.

Pursuant to clause 11.3 of the Constitution Evan Kirby retires by rotation at the Meeting and, being eligible, has offered himself for re-election as a director of the Company.

In the event that Resolution 1 is passed, the Board will consist of Mr Myles Campion (Executive Chairman), Laurence Read (CEO and Executive Director), Dr Evan Kirby (Non-executive Director) and Daniel Smith (Non-executive Director and company secretary).

The profile of Evan Kirby is set out in the Company's Annual Report.

Mr Kirby has an interest in Resolution 1 and refrains from making any recommendation as to how Shareholders should vote on the Resolution. The Company's remaining directors recommend that Shareholders vote **IN FAVOUR** of Resolution 1.

The Chairman intends to vote all undirected proxies IN FAVOUR of Resolution 1.

2. INTRODUCTION TO RESOLUTIONS 2 TO 5: GRANT OF INCENTIVE OPTIONS TO DIRECTORS

2.1 Background

The Company proposes to grant Incentive Options to the Directors of the Company: Laurence Read, Myles Campion, Evan Kirby and Daniel Smith.

Through the grant of the Incentive Options, the Company will reward and incentivise the Directors, whilst conserving cash, and align their interests with Shareholders.

2.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the company unless the giving of the financial benefit falls within one of the nominated exceptions or Shareholder approval is obtained prior to the giving of the financial benefit.

A “related party” for the purposes of the Corporations Act is defined broadly and includes a director of the company. “Financial Benefit” also has a wide meaning and includes the issue of securities by a public company.

Section 195(4) of the Corporations Act provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a material personal interest are being considered, except in certain circumstances or unless non-interested directors pass a resolution approving the interested director’s participation.

Given approval is being sought for the grant of Incentive Options to all Directors pursuant to Resolutions 2 to 5, each of the Directors (comprising the Board) having a material personal interest in the outcomes of Resolutions 2 to 5, a quorum could not be formed to consider the matters contemplated by Resolutions 2 to 5 at Board level. The Board therefore proposes to seek shareholder approval for such issues.

Accordingly, Resolutions 2 to 5 seek Shareholder approval under Chapter 2E of the Corporations Act for the respective grants of Incentive Options.

3. RESOLUTIONS 2 AND 3: GRANT OF INCENTIVE OPTIONS TO THE EXECUTIVE DIRECTORS

3.1 Introduction

The Company proposes to grant Incentive Options exercisable in three tranches under the terms and conditions set out in Annexure A of this Explanatory Statement and expiring on or before 3 years from the date of their grant to the Company’s executive Directors, Mr Read and Mr Campion (or their nominees), as follows:

Executive Directors	Total Incentive Options	Tranche 1	Tranche 2	Tranche 3
Laurence Read	600,000	200,000	200,000	200,000
Myles Campion	600,000	200,000	200,000	200,000

Each Tranche is exercisable at the 10-day VWAP prior to the date of issue and expire on or before 3 years from the date of issue. Details of the vesting conditions of each individual tranche are as follows:

- (a) Tranche 1: vests on the delineation, by an independent third party, of greater than a 4.5Mt Indicated Resource estimate at the Toral Project, reported in accordance with JORC (2012);
- (b) Tranche 2: vests on the delivery of a positive Pre-feasibility Study at the Toral Project with an independent recommendation for the Company to continue advancing the project; and
- (c) Tranche 3: vests on the submission of an application for a Mining Licence at the Toral Project.

Having regard to the significant roles that Mr Read and Mr Campion hold in respect of the development of the Company, the Directors (excluding Mr Read and Mr Campion) consider that the grant of Incentive Options to Mr Read and Mr Campion is an appropriate form of long-term incentive-based remuneration as:

- (d) the Incentive Options are a performance based incentive. Each executive Director will be incentivised to work towards achieving an increase in the market price of the Company’s Shares which will thereby benefit all Shareholders;

- (e) the issue of Incentive Options is a non-cash form of remuneration, thus conserving the Company's cash, particularly in light of the current, extremely challenging, market/macro-economic environment; and
- (f) the potential future exercise of the Incentive Options will provide additional working capital for the Company at no significant cost. By way of an example, based on the indicative-only assumptions contained in 3.2(h), if all of the Incentive Options proposed to be issued pursuant to Resolutions 2 and 3 are exercised, an amount of £132,000 (A\$238,459) would be raised (based on the deemed issue price in 3.2(h) below).

3.2 Information required by Chapter 2E of the Corporations Act

Pursuant to, and in accordance with the requirements of Chapter 2E, and in particular section 219 of the Corporations Act, the following information is provided for the purposes of obtaining Shareholder approval for Resolutions 2 and 3:

- (a) The related parties to whom a financial benefit is proposed to be given are:

Mr Read and Mr Campion (or their nominees), who are both executive Directors, hence related parties of the Company.

- (b) The nature of the financial benefit proposed to be given to Mr Read and Mr Campion:

The grant of, in aggregate, 1,200,000 Incentive Options, the details of which are set out in section 3.1 above.

- (c) Reasons for giving the benefit:

The reasons for giving the benefit is set out in section 3.1 above.

- (d) Directors' interests in the resolutions:

None of the Directors, other than Mr Read in respect of Resolution 2 and Mr Campion in respect of Resolution 3, have any interest in the outcome of Resolutions 2 and 3. If Resolution 2 is passed, Mr Read will be granted 600,000 Incentive Options; If Resolution 3 is passed, Mr Campion will be granted 600,000 Incentive Options.

- (e) Total remuneration package:

The remuneration packages for Mr Read and Mr Campion for the current and previous financial years are:

Director	2019/2020 financial year	2018/2019 financial year
Laurence Read	£74,329 (A\$134,277 ¹)	£66,381 (A\$119,918 ¹)
Myles Campion	£101,284 (A\$182,966 ¹)	£88,386 (A\$159,670 ¹)

¹ Based on an exchange rate of £1:A\$1.80651 (Oanda.com - 9 October 2020).

- (f) The existing relevant interests of the related parties in securities of the Company:

The securities currently held by Mr Read and Mr Campion and those that may be issued subject to Shareholder approval at the Meeting are set out in the table below:

Director	Existing Shares	Existing Options	Incentive Options (subject to passing of Resolutions 2 and 3)
Laurence Read	126,257	925,000	600,000

Myles Champion	248,793	991,666	600,000
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(g) Dilution:

The dilution effect on Shareholders if all Incentive Options (under Resolutions 2 to 5) are exercised (assuming no other convertible securities are exercised or Shares issued) will be 2.77% as set out below:

	Shares
Shares currently in issue	49,130,649
Resolution 2: Incentive Options to be granted to Laurence Read	600,000
Resolution 3: Incentive Options to be granted to Myles Champion	600,000
Resolutions 4 and 5: Incentive Options to be granted to the Non-Executive Directors	200,000
Total Shares to be issued if all Incentive Options to Directors (under Resolutions 2 to 5) are exercised	1,400,000
Dilutive effect of Incentive Options	2.77%

(h) The value of the financial benefit proposed to be given to Mr Read and Mr Champion:

These values have been calculated by internal management using a Black Scholes option pricing model for the Incentive Options. The Company made the following assumptions under the model:

- the Incentive Options do not have market vesting conditions attached and the exercise of the Incentive Options does not affect the value of the underlying asset;
- 27 October 2020 (**Valuation Date**) was adopted as the valuation date;
- 11 pence, being the underlying share price on the Valuation Date, used as the input in the pricing model; the exercise price, therefore, being 11 pence each;
- the Incentive Options have effective lives of 3 years assuming an exercise date as the expiry date;
- a share price volatility of 160% based on the historical volatility of the Company's AIM quoted share price;
- the risk free rate of interest being the three-year United Kingdom Government Bond Rate of 0.14%; and
- a dividend yield of 0%.

Director	Number of Incentive Options	Indicative Black Scholes value
Laurence Read	600,000	£46,355 (A\$83,741 ¹)
Myles Champion	600,000	£46,355 (A\$83,741 ¹)

¹ Based on an exchange rate of £1: A\$1.80651 (Oanda.com - 9 October 2020).

(i) Other Information

There are no material opportunity costs and taxation consequences to the Company and no material benefits foregone by the Company in granting the Incentive Options to Mr Read and Mr Campion.

The Directors are not aware of any information, other than the information set out in this Explanatory Statement that would reasonably be required by Shareholders in order to decide whether or not it is in the Company's interests to pass Resolutions 2 and 3.

3.3 Directors' recommendation and basis of recommendation:

The Directors refrain from making a recommendation in relation to Resolutions 2 and 3 as approval for grant of Incentive Options are sought for all Directors pursuant to Resolutions 2 to 5.

The Chairman intends to exercise all undirected proxies **IN FAVOUR** of Resolutions 2 and 3.

4. RESOLUTIONS 4 AND 5: GRANT OF INCENTIVE OPTIONS TO THE NON-EXECUTIVE DIRECTORS

4.1 Details of the proposed grant of Incentive Options to the Non-Executive Directors

The Company proposes to grant Tranche 2 Incentive Options (i.e. such Incentive Options will vest on the delivery of a positive Pre-feasibility Study at the Toral Project with an independent recommendation for the Company to continue advancing the project) to Mr Evan Kirby and Mr Daniel Smith (the Non-Executive Directors) (or their nominees) as follows:

Non-Executive Director	Number of Incentive Options
Evan Kirby	100,000
Daniel Smith	100,000
Total	200,000

The Incentive Options will be granted under the terms and conditions set out in Annexure A of this Explanatory Statement. The exercise price and expiry date of the Incentive Options is set out in the table below:

Director	Number of Incentive Options	Exercise price	Expiry date
Evan Kirby	100,000	A 45% premium to the 10-day VWAP prior to the date of issue	3 years from issue
Daniel Smith	100,000	A 45% premium to the 10-day VWAP prior to the date of issue	3 years from issue

The grant of such Incentive Options forms part of the remuneration planning for such Non-Executive Directors for the following reasons:

- (a) the primary purpose of the grant of the Incentive Options to the Non-Executive Directors is to motivate their performance in their respective roles as Non-Executive Directors;
- (b) the issue of Incentive Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will enable the Company to spend

- a greater proportion of its cash reserves on its operations and working capital than it would if alternative cash forms of remuneration were given to the Non-Executive Directors;
- (c) the Incentive Options are a performance based incentive. The Non-Executive Directors will be incentivised to work towards achieving an increase in the market price of the Company's Shares which will thereby benefit all Shareholders;
 - (d) the issue of Incentive Options is a non-cash form of remuneration, thus conserving the Company's cash, particularly in light of the current, extremely challenging, market/macroeconomic environment;
 - (e) the potential future exercise of the Incentive Options will provide additional working capital for the Company at no significant cost. By way of an example, based on the indicative-only assumptions contained in 4.2(h), if all of the Incentive Options proposed to be issued pursuant to Resolutions 4 and 5 are exercised, an amount of £31,9000 (\$57,628) would be raised (based on the deemed issue price in 4.2(h) below).

Resolutions 4 and 5 seek Shareholder approval under Chapter 2E of the Corporations Act for the above proposed grant of Incentive Options.

4.2 Information required by Chapter 2E of the Corporations Act

Pursuant to, and in accordance with the requirements of Chapter 2E, and in particular with section 219, of the Corporations Act, the following information is provided for the purposes of obtaining Shareholder approval for Resolutions 4 and 5:

- (a) The related parties to whom a financial benefit is proposed to be given are:
Evan Kirby and Daniel Smith (or their nominees), each of whom is a Non-Executive Director, hence a related party of the Company.
- (b) The nature of the financial benefit proposed to be given to each Non-Executive Director is:
The grant of Incentive Options with the details set out in section 4.1 above.
- (c) Reasons for giving the benefit:
The reason for giving the benefit is set out in section 4.1 above.
- (d) Directors' interest in the resolutions:
In the event that Resolutions 4 and 5 are passed, each of the Non-Executive Directors, Evan Kirby and Daniel Smith, will be granted the relevant number of Incentive Options set out in 4.1 above, the other Directors (being Messrs. Read and Campion) do not have any interest in Resolutions 4 and 5.
- (e) Total remuneration package:
The total remuneration packages of the Non-Executive Directors for the current and previous financial years are as follows:

Non-Executive Director	2019/2020 financial year	2018/2019 financial year
Evan Kirby	£18,054 (A\$32,615 ¹)	£16,607 (A\$30,000 ¹)
Daniel Smith	£12,842 (A\$23,200 ¹)	£13,285 (A\$24,000 ¹)

¹ Based on an exchange rate of £1:A\$1.80651 (Oanda.com - 9 October 2020).

- (f) The existing relevant interest of the related parties in securities of the Company:

The securities currently held by the Non-Executive Directors are set out in the table below:

Director	Existing Shares	Existing Options	Incentive Options (subject to the passing of Resolutions 4 and 5)
Evan Kirby	25,858	245,000	100,000
Daniel Smith	Nil	100,000	100,000

(g) Dilution:

The dilutive effect on Shareholders, if all Incentive Options (under Resolutions 2 to 5) are exercised (assuming no other convertible securities are exercised or Shares issued) will be 2.77%. Refer to section 3.2(g) above.

(h) Valuation of the financial benefit to be given to the Non-Executive Directors.

The values set out in the table below have been calculated by internal management using a Black Scholes option pricing model for the Incentive Options. The Company made the following assumptions under the model:

- the Incentive Options do not have market vesting conditions attached and the exercise of the Incentive Options does not affect the value of the underlying asset;
- 27 October 2020 was adopted as the Valuation Date;
- 11 pence, being the underlying share price on the Valuation Date, was used as the input in the pricing model; the exercise price, therefore, being 16 pence based on a premium of 45% to the input price;
- the Options have effective lives of 3 years assuming an exercise date as the expiry date;
- a share price volatility of 160% based on the historical volatility of the Company's AIM quoted share price;
- the risk free rate of interest being the three-year United Kingdom Government Bond Rate of 0.14%; and
- a dividend yield of 0%.

Director	Number of Incentive Options	Indicative Black Scholes valuation
Evan Kirby	100,000	£9,040 (A\$16,330 ¹)
Daniel Smith	100,000	£9,040 (A\$16,330 ¹)

¹ Based on an exchange rate of £1: A\$1.80651 (Oanda.com - 9 October 2020).

(i) Other Information

There are no material opportunity costs and taxation consequences to the Company and no material benefits foregone by the Company in granting the Incentive Options to the Non-Executive Directors.

The Directors are not aware of any information, other than the information set out in this Explanatory Statement that would reasonably be required by Shareholders in order to decide whether or not it is in the Company's interests to pass Resolutions 4 and 5.

4.3 Directors' recommendation and basis of recommendation:

The Directors refrain from making a recommendation in relation to Resolutions 4 and 5 as approval for grant of Incentive Options are sought for all Directors pursuant to Resolutions 2 to 5.

The Chairman intends to exercise all undirected proxies **IN FAVOUR** of Resolutions 4 and 5.

5. RESOLUTION 6: GENERAL AUTHORITY TO ALLOT SECURITIES FOR NON-CASH CONSIDERATION PURPOSES

5.1 Introduction

Pursuant to Resolution 6, the Directors be and are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot shares in the Company and grant rights to subscribe for or to convert any security into shares in the Company up to 50% of the issued share capital of the Company as at the date of the Meeting for non-cash consideration purposes to such persons and at such times and on such terms and conditions as the Directors think proper. An authority given under Resolution 6 will expire at the earlier of the conclusion of the next annual general meeting of the Company and the date twelve (12) months from the date of passing of Resolution 6.

5.2 Clause 3.7(a) of the Company's Constitution

Clause 3.6 of the Company's Constitution contains certain pre-emption rights which require the Company to make an offer of shares to Shareholders *pro rata* to their existing holdings prior to offering shares to another person.

Clause 3.7(a) of the Company's Constitution enables the issue of equity securities which are wholly paid up otherwise than in cash free of such pre-emption rights where this is approved by an Ordinary Resolution of the Company's Shareholders. Resolution 6 seeks, as an exception to the pre-emption rights under Clause 3.6 of the Company's Constitution, Shareholder approval under Clause 3.7(a) of the Company's Constitution to authorise the Directors to issue shares up to 50% of the issued share capital of the Company as at the date of the Meeting for non-cash consideration purposes.

By way of example using the issued share capital of the Company as at the date of this Notice of Meeting, approval to issue 50% of the Company's share capital pursuant to this Resolution would represent 24,565,324 Shares.

In exercising their powers to issue shares under Resolution 6 for non-cash consideration, the Directors must act in good faith and in the best interests of the Company. Furthermore, any issue of equity securities to related parties is subject to Chapter 2E of the Corporations Act.

5.3 Directors' recommendation and basis of recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6 as it affords the Company the flexibility to potentially issue shares for non-cash consideration.

6. RESOLUTION 7: DISAPPLICATION OF PRE-EMPTION RIGHTS (AUTHORITY TO ALLOT SECURITIES FOR CASH CONSIDERATION PURPOSES)

6.1 Introduction

Clause 3.6 of the Company's Constitution contains certain pre-emption rights which require the Company to make an offer of shares to Shareholders *pro rata* to their existing holdings before the Company may issue shares to another person.

6.2 Disapplication Resolution

Clause 3.8 of the Company's Constitution sets out the process for a disapplication resolution under which the Company may resolve, by a special resolution, that the Directors are authorised to issue a maximum number of shares for cash without complying with the pre-emption rights in Clause 3.6 (a **Disapplication Resolution**).

Resolution 7 seeks Shareholder approval under Clause 3.8 of the Company's Constitution to authorise the Directors to issue up to 50% of the Company's issued share capital as at the date

of this Notice of Meeting (being 24,565,324 Shares) without first offering them to all Shareholders of the Company on a *pro rata* basis, provided the conditions set out in this Resolution are met. An authority given under Resolution 7 will expire at the earlier of the conclusion of the next annual general meeting of the Company and the date twelve (12) months from the date of passing of Resolution 7.

The minimum issue price of shares issued under the authority approved by Resolution 7 is 50% of the 5 day VWAP of the Company's shares prior to the date the Company agrees to issue the shares. This formula was chosen as it provides the Company with flexibility in raising funds whilst protecting shareholders' interests.

The Company's ability to issue shares under Resolution 7 (assuming it is approved by Shareholders) is in addition to the ability to issue shares under Resolution 6 for non-cash consideration.

6.3 Additional information

Resolution 7 is proposed as a Special Resolution in accordance with Clause 3.8 of the Company's Constitution. For a special resolution to be passed, at least 75% of the votes cast by Shareholders present and entitled to vote on the resolution must be in favour of the resolution.

6.4 Directors' recommendation and basis of recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7 as whilst the Company is developing its assets and not generating revenue, it will give the Company additional flexibility in raising further capital as and when required.

**EUROPA METALS LTD
ACN 097 532 137**

PROXY FORM

The Secretary

Europa Metals Ltd

By delivery:
Computershare Investor
Services Pty Limited, GPO
Box 242, Melbourne, Victoria
3001, Australia

By post:
Computershare Investor
Services Pty Limited, GPO
Box 242, Melbourne,
Victoria 3001, Australia

By facsimile:
+61 3 9473 2555

Online via Investor Vote:
www.investorvote.com.au

Name of
Shareholder:

Address of
Shareholder:

Number of Shares
entitled to vote:

Please mark to indicate your directions. Further instructions are provided overleaf. Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Step 1 - Appoint a Proxy to Vote on Your Behalf

The Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Meeting of the Company to be held by way of the Virtual Meeting Facility on **Monday, 30 November 2020** at 10.00 a.m. (UK time) / 6.00 p.m. (AWST) and at any adjournment or postponement of that Meeting.

Please note the Chairman of the Meeting intends to vote all undirected proxies in favour of each Resolution. Important Notice for Resolutions 2, 3, 4 and 5: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 2, 3, 4 and 5 even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel.

Step 2 - Instruction as to Voting on the Resolutions

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

	FOR	AGAINST	ABSTAIN
Resolution 1: Re-election of Evan Kirby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2: Grant of Incentive Options to Laurence Read	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3: Grant of Incentive Options to Myles Campion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4: Grant of Incentive Options to Evan Kirby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5: Grant of Incentive Options to Daniel Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6: Authority to allot securities for non-cash consideration purposes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7: Disapplication of pre-emption rights (authority to allot securities for cash consideration purposes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signature of Member(s): This section must be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1	Shareholder 2	Shareholder 3
Sole Director/Company Secretary	Director	Director/Company Secretary

Contact Name:

Contact Ph (daytime):

Date:

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting and vote on a poll. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy, of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received at Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001 or received by email to the Company Secretary at dsmith@europametals.com or Facsimile +61 3 9473 2555 not less than 48 hours prior to the time of commencement of the Meeting.

GLOSSARY

In the Notice of Meeting and this Explanatory:

\$ or AUD	means Australian dollars.
Annual General Meeting or Meeting	means the Annual General Meeting of Shareholders to be by the Virtual Meeting Facility on Monday, 30 November 2020 at 10.00 a.m. (UK time).
Annual Report	means the Director's Report, the Financial Statements and the Auditor's Report in respect to the financial year ended 30 June 2020.
AIM	means the AIM market operated by London Stock Exchange plc.
AWST	means Australian Western Standard Time.
Board	means the current board of directors of the Company.
Chairman	means the person appointed to chair the Meeting of the Company convened by this Notice.
Company	means Europa Metals Ltd ACN 097 532 137.
Constitution	means the current constitution of the Company as amended from time to time.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	means the <i>Corporations Regulations 2001</i> (Cth).
Directors	means the directors of the Company, being, at the date of this Notice of Meeting, Myles Campion, Evan Kirby, Laurence Read and Daniel Smith
DI Holders	means holders of depositary interests in the Company.
Explanatory Statement	means the explanatory statement accompanying the Notice of Meeting.
Form of Instruction	means, for DI Holders, the form of instruction enclosed with this Notice.
Incentive Option	means an option to acquire a Share on the terms and conditions set out in Annexure A.
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 of Meeting or Notice	means this notice of Annual General Meeting including the Explanatory Statement.
Ordinary Resolution	means a Resolution to be passed by a simple majority of Shareholders entitled to vote and vote on the Resolution (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).
Pence or p	means Great British pence.
Proxy Form	means, for Shareholders, the proxy form enclosed with this Notice.
Resolution	means a resolution set out in this Notice of Meeting.
Share	means an ordinary share in the Company.
Shareholder	means a holder of Shares in the Company.
Special Resolution	means a Resolution to be passed by at least 75% of Shareholders (entitled to vote) that vote on the Resolution (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).
Valuation Date	means 27 October 2000.
VWAP	means the volume weighted average price of trades in the Company's Shares on AIM.

All references in this Notice to "£", "pence" or "p" are to the lawful currency of the United Kingdom.

All references in this Notice to "A\$", "\$", "c" or "cents" are to the lawful currency of Australia.

Annexure A: Summary of the terms of the Incentive Options

The key terms and conditions of the Incentive Options to be granted to Laurence Read, Myles Campion, Evan Kirby and Daniel Smith (each an **Optionholder**) are summarised below:

- (a) Each Incentive Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Incentive Option, the Optionholder must exercise the Incentive Options in accordance with the terms and conditions of the Incentive Options.
- (b) The Incentive Options will expire at 5.00 p.m. (WST) on the date that is 36 months from their date of issue (**Expiry Date**). Any Incentive Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The Incentive Options can be exercised on or before 3 years from the date of issue at:
 - (i) In the case of the Executive Directors the 10-day VWAP prior to the date of issue; and
 - (ii) In the case of the Non-executive Directors at a 45% premium to the 10-day VWAP prior to the date of issue

(Exercise Price).

- (d) The Incentive Options are subject to the following vesting conditions (**Vesting Condition**):

Director	Total Incentive Options	Tranche 1	Tranche 2	Tranche 3
Laurence Read	600,000	200,000	200,000	200,000
Myles Campion	600,000	200,000	200,000	200,000
Evan Kirby	100,000	-	100,000	-
Daniel Smith	100,000	-	100,000	-

1. Tranche 1: vests on the delineation, by an independent third party, of greater than a 4.5Mt Indicated Resource estimate at the Toral Project, reported in accordance with JORC (2012);
2. Tranche 2: vests on the delivery of a positive Pre-feasibility Study at the Toral Project with an independent recommendation for the Company to continue advancing the project; and
3. Tranche 3: vests on the submission of an application for a Mining Licence at the Toral Project.

- (e) The Incentive Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (f) An Optionholder may exercise their Incentive Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Incentive Options specifying the number of Incentive Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Incentive Options being exercised;

(Exercise Notice).

- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

- (h) Within 10 business days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required in respect of the number of Incentive Options specified in the Exercise Notice.
- (i) All Shares issued upon the exercise of Incentive Options will upon issue rank *pari passu* in all respects with other Shares in issue.
- (j) The Company will not apply for quotation of any Incentive Options.
- (k) 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 any applicable listing rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Incentive Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the exercise period of the Incentive Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be in accordance with all applicable listing rules. This will give Optionholders the opportunity to exercise their Incentive Options prior to the date for determining entitlements to participate in any such issue.
- (m) An Incentive Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Incentive Option can be exercised.
- (n) Notwithstanding the Vesting Conditions in (d), all Incentive Options will immediately vest to the Optionholder upon a change of control event as defined in the Company's Incentive Plan (**Change of Control Event**).