
FUTURE METALS NL
ACN 124 734 961
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 2:00pm (AWST)
DATE: 7 November 2022
PLACE: BDO Offices
Level 9, Mia Yellagonga Tower 2
5 Spring Street
PERTH WA 6000

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

This Notice 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 2:00pm (WST) on 5 November 2022.

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 2022 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 2022.”

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

A voting prohibition statement applies to this Resolution. Please see below.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR ALLAN MULLIGAN

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, Listing Rule 14.5 and for all other purposes, Mr Allan Mulligan, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 40,000,000 Shares and 13,333,288 Options on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS – LISTING RULE 7.1

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,603,783 Options on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

6. RESOLUTION 5 – ISSUE OF OPTIONS TO RELATED PARTY – MR JARDEE KININMONTH

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 62,868 Options to Mr Jardee Kininmonth (or their nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

7. RESOLUTION 6 – APPROVAL OF 7.1A MANDATE

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 Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

8. RESOLUTION 7 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – MR JARDEE KININMONTH

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

That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 999,999 Performance Rights to Mr Jardee Kininmonth (or their nominee) under the Future Metals Performance Rights Plan on the terms and conditions set out in the Explanatory Statement

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Dated: 6 October 2022

By order of the Board



**Thomas O'Rourke
Company Secretary**

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Voting Prohibition Statements

<p>Resolution 1 – Adoption of Remuneration Report</p>	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> (a) <input type="checkbox"/> a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) <input type="checkbox"/> a Closely Related Party of such a member. <p>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:</p> <ul style="list-style-type: none"> (a) <input type="checkbox"/> the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) <input type="checkbox"/> the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> (i) <input type="checkbox"/> does not specify the way the proxy is to vote on this Resolution; and (ii) <input type="checkbox"/> 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.
<p>Resolution 5 – Issue of Options to Related Party</p>	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) <input type="checkbox"/> the proxy is either: <ul style="list-style-type: none"> (i) <input type="checkbox"/> a member of the Key Management Personnel; or (ii) <input type="checkbox"/> a Closely Related Party of such a member; and (b) <input type="checkbox"/> the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) <input type="checkbox"/> the proxy is the Chair; and (b) <input type="checkbox"/> the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
<p>Resolution 7 – Issue of Incentive Performance Rights to Director</p>	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) <input type="checkbox"/> the proxy is either: <ul style="list-style-type: none"> (i) <input type="checkbox"/> a member of the Key Management Personnel; or (ii) <input type="checkbox"/> a Closely Related Party of such a member; and (b) <input type="checkbox"/> the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) <input type="checkbox"/> the proxy is the Chair; and (b) <input type="checkbox"/> the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of the following persons:

Resolution 3 – Ratification of prior issue of Shares and Options	A person who participated in the issue or is a counterparty to the agreement being approved (namely those subscribers that participated in the Placement) or an associate of that person or those persons.
Resolution 4 – Ratification of prior issue of Options	A person who participated in the issue or is a counterparty to the agreement being approved (namely participants in the SPP) or an associate of that person or those persons.
Resolution 5 – Issue of Options to Related Party	Mr Jardee Kininmonth (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 6 – Approval of 7.1A Mandate	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).
Resolution 7 – Issue of Incentive Performance Rights to Director	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Mr Jardee Kininmonth) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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 two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two 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:

- 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.

Voting in person

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

United Kingdom (CREST Voting Instructions)

United Kingdom (CREST Voting Instructions) DI Holders 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) no later than 2 November 2022 at 2:00pm (GMT). 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. DI Holders 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 connection, 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 Instructions)

DI Holders are invited to attend the Meeting but are not entitled to vote at the Meeting. In order to have votes cast at the Meeting on their behalf, DI holders must complete, sign and return the Forms of Instruction forwarded to them along with the Notice to the Company's agent, Computershare UK, by 2 November 2022 at 2:00pm (GMT)

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company on +61 8 9480 0414.

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 Corporations Act, 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 2022 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 <https://future-metals.com.au>.

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.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR ALLAN MULLIGAN

3.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

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

Mr Allan Mulligan, who has served as a Director since 11 May 2021 and was last re-elected on 26 November 2021, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Mulligan is a mining engineer with over 35 years' management and production experience in mining operations, mine start-up and construction that culminated in management roles in large scale platinum and gold mines.

Mr Mulligan has specialised in technical assessment and production economics, feasibility studies, project design and costing of underground mines and prospects. He has worked extensively in exploration, mine development and operations across Africa and Australia. Allan's experience includes 14 years with Lonmin Plc in a variety of senior and technical mine management roles. He previously served as a representative of Lonmin Plc on the Board of Platinum Australia Limited

3.3 Independence

If re-elected the Board does not consider Mr Mulligan will be an independent Director because he provides further services to the Company pursuant to consultancy agreements.

3.4 Board recommendation

The Board has reviewed Mr Mulligan's performance since his appointment to the Board and considers that his skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Mulligan and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS - PLACEMENT SECURITIES

4.1 General

As announced on 17 August 2022, the Company received firm commitments from professional and sophisticated investors to subscribe for 40,000,000 Shares at an issue price of \$0.125 per Share (**Placement**). The terms of the Placement included the issue of one (1) free attaching Option (**Placement Options**) for every three (3) Placement Shares issued with the Placement Options to be issued on the same

terms as the existing listed option class; FMEO, exercisable at a price of \$0.10 and with an expiry date of 11 June 2024.

On 24 August 2022, the Company issued 40,000,000 Placement Shares and on 25 August 2022, the Company issued 13,333,288 Placement Options (together, the **Placement Securities**).

35,454,118 Placement Shares were issued under the Company's Listing Rule 7.1A placement capacity.

4,545,882 Placement Shares and 13,333,288 Placement Options were issued under the Company's Listing Rule 7.1 placement capacity.

The Company engaged the services of Euroz Hartleys Limited (ACN 104 195 057) AFSL (230052) and CPS Capital Group Pty Ltd (ACN 088 055 636) (AFSL: 294848) (together, the **Joint Lead Managers**), to manage the issue of the Placement Securities. The Company has paid the Joint Lead Managers an aggregate of \$300,000 (being 6% of the amount raised under the Placement).

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 6 being passed at this Meeting.

The issue of the Placement Securities does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the combined 25% limit in Listing Rules 7.1 and 7.1A limit, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Securities.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Securities.

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Securities.

4.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Placement Securities will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively

increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Securities.

If Resolution 3 is not passed, the Placement Securities will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Securities.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 6 being passed at this Meeting.

4.3 Technical information required by Listing Rule 7.4

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) the Placement Securities were issued to professional and sophisticated investors who are clients of Euroz Hartleys Limited and CPS Capital Group Pty Ltd. The recipients were identified through a bookbuild process, which involved Euroz Hartleys Limited and CPS Capital Group Pty Ltd seeking expressions of interest to participate in the Placement from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients of the Placement Securities were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 40,000,000 Placement Shares and 13,333,288 Placement Options were issued;
- (d) 35,454,118 Placement Shares were issued under the Company's Listing Rule 7.1A placement capacity;
- (e) 4,545,882 Placement Shares and 13,333,288 Placement Options were issued under the Company's Listing Rule 7.1 placement capacity;
- (f) the Placement Shares issued to participants in the Placement 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;
- (g) the Placement Options issued to participants in the Placement were issued on the terms and conditions set out in Schedule 1;
- (h) the Placement Shares were issued on 24 August 2022;
- (i) the Placement Options were issued on 25 August 2022;

- (j) the issue price per Placement Share was \$0.125 and the issue price of the Options was nil as they were issued free attaching with the Placement Shares on a 1:3 basis. The Company has not and will not receive any other consideration for the issue of the Placement Securities (other than in respect of funds received on exercise of the Placement Options);
- (k) the purpose of the issue of the Placement Securities was to raise \$5,000,000 (before expenses), which will be applied towards applied to exploration activities to test Panton's significant Ni-Cu-PGE sulphide potential and progress a scoping study based on the existing PGM resource, as well as ongoing metallurgical test work and for general working capital; and
- (i) the Placement Securities were not issued under an agreement.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS – LISTING RULE 7.1

5.1 General

On 17 August 2022, the Company announced that it would be offering eligible Shareholders to participate in a share purchase plan (**SPP**) on the same terms as the Placement announced on 17 August 2022. The details of the Placement are set out in Section 4.1 above.

On 12 September 2022, the Company confirmed that the SPP had closed on 9 September 2022 and that the Company would issue 7,999,998 Shares (**SPP Shares**) at an issue price of \$0.125 per SPP Share and 2,603,783 free attaching Options (**SPP Options**) on the same terms as the existing listed option class; FMEO, exercisable at a price of \$0.10 and with an expiry date of 11 June 2024.

The SPP Shares and the SPP Options were issued on 15 September 2022.

The SPP Options were issued using the Company's Listing Rule 7.1 placement capacity.

As summarised in Section 4.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 6 being passed at this Meeting.

The issue of the SPP Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the SPP Options.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not

reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the SPP Options.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the SPP Options.

5.2 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the SPP Options will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the SPP Options.

If Resolution 4 is not passed, the SPP Options will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the SPP Options.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 6 being passed at this Meeting.

5.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) eligible Shareholders who participated and were issued SPP Shares in the SPP (excluding Mr Jardee Kininmonth);
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 2,603,783 SPP Options were issued and the SPP Options were issued on the terms and conditions set out in Schedule 1;
- (d) the SPP Options were issued on 15 September 2022;
- (e) 2,603,783 SPP Options were issued under the Company's Listing Rule 7.1 Placement Capacity;
- (f) the issue price of the SPP Options was nil as they were issued free attaching to the SPP Shares. The Company has not and will not receive any other consideration for the issue of the SPP Options (other than in respect of funds received on exercise of the SPP Options);

- (g) the purpose of the SPP was to raise \$1,000,000 (before expenses), which will be applied towards applied to exploration activities to test Panton's significant Ni-Cu-PGE sulphide potential and progress a scoping study based on the existing PGM resource, as well as ongoing metallurgical test work and for general working capital. The SPP Options were issued free attaching to the SPP Shares; and
- (h) the SPP Options were not issued under an agreement.

6. RESOLUTION 5 – ISSUE OF OPTIONS TO RELATED PARTY – MR JARDEE KININMONTH

6.1 General

Company Director, Mr Jardee Kininmonth subscribed for a total of 188,604 Shares under the SPP. The details of the SPP are set out in Section 5.1 above.

Mr Kininmonth's participation in the SPP was on the same terms as unrelated participants in the SPP, however, the issue of one (1) free attaching Option for every three (3) SPP Shares issued to Mr Kininmonth under the SPP is subject to Shareholder approval.

Resolution 5 seeks Shareholder approval for the issue of 62,868 Options to Mr Kininmonth (or their nominee).

6.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Options to Mr Kininmonth (or their nominee) constitutes giving a financial benefit and Mr Kininmonth is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Kininmonth who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Options because the Options will be issued to Mr Kininmonth (or their nominee) on the same terms as Options issued to non-related party participants in the SPP and as such the giving of the financial benefit is on arm's length terms.

6.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;

- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 5 seeks the required Shareholder approval for the issue of the Options under and for the purposes of Listing Rule 10.11.

6.4 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Options to Mr Kininmonth within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Options to Mr Kininmonth.

6.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 5:

- (a) the Options will be issued to Mr Kininmonth (or their nominee), who falls within the category set out in Listing Rule 10.11.1 as Mr Kininmonth is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Options to be issued is 62,868;
- (c) the terms and conditions of the Options are set out in Schedule 1;
- (d) the Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (e) the issue price of the Options will be nil as they will be issued free attaching with Shares issued to Mr Kininmonth under the SPP on a 1:3 basis, being the same basis as Options issued to other participants in the

SPP. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);

- (f) the purpose of the issue of the SPP was to raise \$1,000,000 (before expenses), which will be applied towards applied to exploration activities to test Panton's significant Ni-Cu-PGE sulphide potential and progress a scoping study based on the existing PGM resource, as well as ongoing metallurgical test work and for general working capital. The Options are to be issued free attaching to Shares issued to Mr Kininmonth as part of the SPP;
- (g) the Options are not intended to remunerate or incentivise Mr Kininmonth;
- (h) the Options are not being issued under an agreement; and
- (i) a voting exclusion statement is included in Resolution 5 of the Notice.

7. RESOLUTION 6 – APPROVAL OF 7.1A MANDATE

7.1 General

As summarised in Section 4.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

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 \$36,387,244 (based on the number of Shares on issue and the closing price of Shares on the ASX on 30 September 2022).

Resolution 6 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 6 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

7.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 6:

(a) **Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) **Minimum price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued for cash consideration at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 7.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for:

- (i) general working capital expenses;
- (ii) progressing and developing a scoping study;
- (iii) ongoing metallurgical test work;
- (iv) exploration activities associated with its current project; or
- (v) the acquisition of new assets and investments (including any expenses associated with such an acquisition)

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, 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 Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 30 September 2022.

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 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.053	\$0.105	\$0.16
			50% decrease	Issue Price	50% increase
		Funds Raised			
Current	346,545,182	34,654,518	\$1,836,689	\$3,638,724	\$5,475,413
50% increase	519,817,773	51,981,777	\$2,755,034	\$5,458,086	\$8,213,120
100% increase	693,090,364	69,309,036	\$3,673,378	\$7,277,448	\$10,950,827

*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 346,545,182 Shares on issue comprising:
2. The issue price set out above is the closing market price of the Shares on the ASX on 30 September 2022 (being \$0.105).
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
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 Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
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 Listing Rule 7.1 unless otherwise disclosed.
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 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i)□ the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii)□ 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.

(e)□ **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate 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 7.1A Mandate, having regard to the following factors:

- (i)□ the purpose of the issue;
- (ii)□ alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii)□ the effect of the issue of the Equity Securities on the control of the Company;
- (iv)□ the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v)□ prevailing market conditions; and
- (vi)□ advice from corporate, financial and broking advisers (if applicable).

(f)□ **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 26 November 2021 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 7 November 2021, the Company issued 35,454,118 Shares pursuant to the Previous Approval (**Previous Issue**), which represent approximately 7.6% of the total diluted number of Equity Securities on issue in the Company on 7 November 2021, which was 465,881,185.

Further details of the issues of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12 month period preceding the date of the Meeting are set out below.

The following information is provided in accordance with Listing Rule 7.3A.6(b) in respect of the Previous Issue:

Date of Issue and Appendix 2A	Date of Issue: 24 August 2022 Date of Appendix 2A: 25 August 2022
Recipients	Professional and sophisticated investors as part of a placement announced on 17 August 2022. The placement participants were identified through a bookbuild process, which involved Euroz Hartleys Limited and CPS Capital Group Pty Ltd seeking expressions of interest to participate in the placement from non-related parties of the Company. None of the participants in the placement were material investors that are required to be disclosed under Guidance Note 21.
Number and Class of Equity Securities Issued	35,454,118 Shares ²
Issue Price and discount to Market Price¹ (if any)	\$0.125 per Share (at a premium of 4.17% to Market Price).
Total Cash Consideration and Use of Funds	Amount raised: \$ 4,431,764 from Shares issued under the Company's Listing Rule 7.1A Placement Capacity (a total of \$6,000,000 under the SPP and the Placement) Amount spent: Nil Use of funds: N/A. Amount remaining: \$4,431,764 Proposed use of remaining funds⁴: Exploration activities at the Company's Panton PGM-Ni Project, developing a scoping study for the project and ongoing working capital.

Notes:

1. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: FME (terms are set out in the Constitution).
3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

7.3 Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

8. RESOLUTION 7 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – JARDEE KININMONTH

8.1 General

The Company has agreed, subject to obtaining Shareholder approval to issue 999,999 Performance Rights to Mr Jardee Kininmonth (or his nominees) pursuant to the Future Metals Performance Rights Plan and on the terms and conditions set out below (**Incentive Performance Rights**).

8.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Incentive Performance Rights to Mr Kininmonth constitutes giving a financial benefit and Mr Kininmonth is a related party of the Company by virtue of being the Chief Executive Officer of the Company.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Performance Rights, because the issue of Performance Rights constitutes reasonable remuneration payable to Mr Kininmonth.

8.3 ASX Listing Rule 10.14

ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

The issue of Incentive Performance Rights to Mr Kininmonth falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

It is the view of the Directors that the exceptions set out in sections 210 to 216 of the Corporations Act do not apply in the current circumstances.

Resolution 7 seeks the required Shareholder approval for the issue of the Incentive Performance Rights under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.14.

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;

- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Incentive Performance Rights to Mr Kininmonth falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 7 seeks the required Shareholder approval for the issue of the Incentive Performance Rights under and for the purposes of Listing Rule 10.14.

8.4 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Company will be able to proceed with the issue of the Incentive Performance Rights to Mr Kininmonth under the Future Metals Performance Rights Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Incentive Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolution 7 is not passed, the Company will not be able to proceed with the issue of the Incentive Performance Rights to Mr Kininmonth under the Future Metals Performance Rights Plan.

8.5 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolution 7:

- (a) the Incentive Performance Rights will be issued to Mr Kininmonth (or their nominee), who falls within the category set out in Listing Rule 10.14.1, by virtue of Mr Kininmonth being a Director;
- (b) the maximum number of Incentive Performance Rights to be issued to Mr Kininmonth (or their nominee) is 999,999;
- (c) the current total remuneration package for Mr Kininmonth is \$475,955 comprising of salary of \$236,280, a superannuation payment of \$27,720 and share-based payments of \$211,955. If the Incentive Performance Rights are issued, the total remuneration package of Mr Kininmonth will increase by \$58,333 to \$534,288, being the value of the Incentive Performance Rights (based on a Monte Carlo simulation);
- (d) 2,400,000 Performance Rights have previously been issued Mr Kininmonth for nil cash consideration under the Future Metals Performance Rights Plan;
- (e) a summary of the material terms and conditions of the Incentive Performance Rights is set out in Schedule 2;
- (f) the Incentive Performance Rights are unquoted performance rights. The Company has chosen to grant the Incentive Performance Rights to Mr Kininmonth for the following reasons:

- (i) □ the Incentive Performance Rights are unlisted, therefore the grant of the Incentive Performance Rights has no immediate dilutionary impact on Shareholders;
 - (ii) □ the issue of Incentive Performance Rights to Mr Kininmonth will align the interests of Mr Kininmonth with those of Shareholders;
 - (iii) □ the issue of the Incentive Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Kininmonth; and
 - (iv) □ it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Incentive Performance Rights on the terms proposed;
- (g) □ the Company values the Incentive Performance Rights at \$58,333 based on a pricing model that incorporates a Monte Carlo simulation. A summary of the valuation of the Incentive Performance Rights is set out in Schedule 3;
 - (h) □ the Incentive Performance Rights will be issued to Mr Kininmonth (or their nominee) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Incentive Performance Rights will be issued on one date;
 - (i) □ the issue price of the Incentive Performance Rights will be nil, as such no funds will be raised from the issue of the Incentive Performance Rights;
 - (j) □ a summary of the material terms and conditions of the Future Metals Performance Rights Plan is set out in Schedule 4;
 - (k) □ no loan is being made to Mr Kininmonth in connection with the acquisition of the Incentive Performance Rights;
 - (l) □ details of any Performance Rights issued under the Future Metals Performance Rights Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
 - (m) □ any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Future Metals Performance Rights Plan after Resolution 7 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 7.1.

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.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means Future Metals NL (ACN 124 734 961).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

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.

Listing Rules means the Listing Rules of ASX.

Managing Director means the managing director of the Company who may, in accordance with the Listing Rules, continue to hold office indefinitely without being re-elected to the office.

Meeting means the meeting convened by the Notice.

Notice 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.

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 2022.

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 Listing Rule 7.1A.2.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on or before 11 June 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware

of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

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

SCHEDULE 2 – TERMS AND CONDITIONS OF INCENTIVE PERFORMANCE RIGHTS

(a) **Plan Rules**

Each Performance Right is issued subject to the rules of the Future Metals Performance Rights Plan and otherwise on the following terms and conditions.

(b) **Shareholder Approval**

The grant and issue of the Performance Rights to a director is subject to shareholder approval.

(c) **Entitlement**

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

(d) **Grant and exercise price**

No cash consideration is payable on the issue of or exercise of a Performance Right.

(e) **Expiry Date**

Unless otherwise determined by the rules of the Future Metals Performance Rights Plan, each Performance Right will expire at 5:00 pm (WST) on or before the three (3) year anniversary of their issue (**Expiry Date**). A Performance Right not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(f) **Vesting Conditions**

The Performance Rights will vest upon:

- (i) 333,333 to vest upon the 20-day volume weighted average market price exceeding A\$0.25 and 24 months continuous employment;
- (ii) 333,333 to vest upon the 20-day volume weighted average market price exceeding A\$0.30 and 24 months continuous employment; and
- (iii) 333,333 vesting on a 'sulphide discovery hole', being a JORC compliant report being published by the Company detailing a drill hole which has been drilled by the Company intersecting at least ten (10) metres true width greater than or equal to 1.5% NiEq at the Panton Project.

(each, a **Vesting Condition**).

(g) **Exercise Period**

The Performance Rights are exercisable at any time on and from the date upon which the relevant Vesting Condition has been satisfied, until the Expiry Date (**Exercise Period**).

(h) **Notice of Exercise**

The Performance Rights may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Performance Rights certificate (**Notice of Exercise**).

(i) **Timing of issue of Shares on exercise**

Following the date of receipt of a validly issued Notice of Exercise and within the time period specified by the ASX Listing Rules, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights specified in the Notice of Exercise; and
- (ii) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

Also, if required, the Company will give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**), or, if the Company is unable to issue a Cleansing Notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. If a Cleansing Notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(j) **Shares issued on exercise**

Shares issued on exercise of the Performance Rights rank equally with the then issued Shares of the Company.

(k) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(l) **Participation in new issues**

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Rights.

(m) **Change in exercise price or number of underlying securities**

A Performance Right does not confer a change in the number of underlying securities over which the Performance Right can be exercised.

(n) **No voting or dividend rights**

A Performance Right does not carry any voting rights or entitle the holder to any dividends.

(o) **Rights on winding up**

A Performance Right does not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company. The Performance

Rights do not confer any right to a return of capital, whether in winding up, upon reduction of capital or otherwise.

(p) **Transferability**

A Performance Right is not transferable.

SCHEDULE 3 – VALUATION OF INCENTIVE PERFORMANCE RIGHTS

The Incentive Performance Rights to be issued to Mr Jardee Kininmonth pursuant to Resolution 7 have been independently valued.

Using a pricing model that incorporates a Monte Carlo simulation and based on the assumptions set out below, the Incentive Performance Rights were ascribed the following value:

	Number of Incentive Performance Rights	Value per Incentive Performance Right (\$)	Probability of vesting	No. of Incentive Performance Rights likely to vest	Total Value of Incentive Performance Rights (\$)
Tranche 1	333,333	0.0652	100%	333,333	21,733
Tranche 2	333,333	0.0573	100%	333,333	19,100
Tranche 3	333,333	0.1050	50%	166,667	17,500
Total	999,999				58,333

Note: The valuation noted above is not necessarily the market price that the Incentive Performance Rights could be traded at and is not automatically the market price for taxation purposes.

□

SCHEDULE 4 – SUMMARY OF THE FUTURE METALS PERFORMANCE RIGHTS PLAN

The key terms of the Future Metals Performance Rights Plan are summarised below:

- (a) **Eligibility:** Participants in the Plan may be:
- (i) a Director (whether executive or non-executive) of the Company and any Associated Body Corporate of the Company (each a Group Company);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**) or as otherwise permitted by the Board in its sole discretion; or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,
 - (v) who is declared by the Board to be eligible to receive grants of Performance Rights under the Plan (**Eligible Participants**).
- (b) **Offer:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for up to a specified number of Performance Rights, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Issue price:** Performance Rights issued under the Plan will be issued for nil cash consideration.
- (e) **Vesting Conditions:** A Performance Right may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Performance Right.
- (f) **Vesting:** The Board may in its absolute discretion (except in respect of a Change of Control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Performance Rights have been granted under the Plan or their nominee where the Performance Rights have been granted to the nominee of the Eligible Participant), resolve to waive any of the Vesting Conditions applying to Performance Rights due to:
- (i) Special Circumstances arising in relation to a Relevant Person in respect of those Performance Rights; or

- (ii) a Change of Control occurring; or
 - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (g) **Lapse:** A Performance Right will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Performance Right;
 - (ii) a Vesting Condition in relation to the Performance Right is not satisfied by its due date, or becomes incapable of satisfaction, unless the Board exercises its discretion to waive the Vesting Conditions and vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iii) in respect of unvested Performance Right only, an Eligible Participant ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Performance Rights only, a relevant person ceases to be an Eligible Participant and the Performance Right granted in respect of that person is not exercised within one (1) month (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
 - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) the Company undergoes a Change of Control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Performance Right;
 - (vii) the expiry date of the Performance Right.
- (h) **Not transferrable:** Performance Rights are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
- (i) **Shares:** Shares resulting from the exercise of the Performance Rights shall, subject to any Sale Restrictions (refer paragraph (k)) from the date of issue, rank on equal terms with all other Shares on issue.
- (j) **Quotation** of Shares: If Shares of the same class as those issued upon exercise of Performance Rights issued under the Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any restriction period applying to the disposal of Shares ends.
- (k) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to an Eligible Participant (or their eligible nominee) on exercise

of those Performance Rights up to a maximum of seven (7) years from the grant date of the Performance Rights. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.

- (l) **No Participation Rights:** There are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
- (m) **Change in number of underlying securities:** Unless specified in the offer of the Performance Rights and subject to compliance with the ASX Listing Rules, a Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.
- (n) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (o) **Amendments:** Subject to express restrictions set out in the Plan and complying with the Corporations Act, ASX Listing Rules and any other applicable law, the Board may at any time by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Performance Right granted under the Plan including giving any amendment retrospective effect.
- (p) **Trust:** The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Performance Rights, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Plan to effect the establishment of such a trust and the appointment of such a trustee.
- (q) **Definitions:** Capitalised terms used in the above summary are as defined in the Future Metals Performance Rights Plan, including:

Associated Body Corporate means:

- (i) a related body corporate (as defined in the Corporations Act) of the Company;
- (ii) a body corporate which has an entitlement to not less than 20% of the voting Shares of the Company; and
- (iii) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.

Change of Control means:

- (i) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in more than 50% of the Company's issued Shares;
- (ii) a court approves, under section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or

- (iii) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

Relevant Person means:

- (i) in respect of an Eligible Participant, that person; and
- (ii) in respect of a nominee of an Eligible Participant, that Eligible Participant.

Special Circumstances means:

- (i) a Relevant Person ceasing to be an Eligible Participant due to:
 - (A) death or Total or Permanent Disability of a Relevant Person; or
 - (B) Retirement or Redundancy of a Relevant Person;
- (ii) a Relevant Person suffering Severe Financial Hardship;
- (iii) any other circumstance stated to constitute "Special Circumstances" in the terms of the relevant Offer made to and accepted by the Participant; or
- (iv) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant.

FMERM

MR RETURN SAMPLE
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SAMPLE SURBURB
SAMPLETOWN VIC 3030**Need assistance?****Phone:**1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)**Online:**www.investorcentre.com/contact**YOUR VOTE IS IMPORTANT**For your proxy appointment to be effective it must be received by **2:00pm (AWST) on Saturday, 5 November 2022.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.**A proxy need not be a securityholder of the Company.**

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate RepresentativeIf a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX**Online:**Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

**Control Number: 999999****PIN: 99999**For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com**By Mail:**Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia**By Fax:**1800 783 447 within Australia or
+61 3 9473 2555 outside Australia**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



IND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Future Metals NL hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and 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 Annual General Meeting of Future Metals NL to be held at BDO Offices, Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth, WA 6000 on Monday, 7 November 2022 at 2:00pm (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 5 and 7 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 5 and 7 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 5 and 7 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Director - Mr Allan Mulligan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Ratification of prior issue of Shares and Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Ratification of prior issue of Options - Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Issue of Options to Related Party - Mr Jardee Kininmonth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Approval of 7.1A Mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Issue of Incentive Performance Rights to Director - Mr Jardee Kininmonth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

Mobile Number Email Address By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

