

15 March 2021

Dear Shareholder,

GENERAL MEETING

A shareholder meeting is scheduled to be held in Sydney on Tuesday 13 April 2021 at 12:00pm (AEDST) (**Meeting**).

The Company is closely monitoring the impact of the COVID-19 virus in New South Wales and following guidance from the Federal and State Governments. Having considered the current circumstances, at this stage the Directors have made the decision that a physical meeting will be held. Accordingly, Shareholders will be able to attend the Meeting in person.

However, in the event of a change in circumstances prior to the date of the Meeting, the Company will announce revised details through the ASX market announcements platform.

In accordance with temporary modifications to the Corporations Act 2001 (Cth) proposed via the Treasury Laws Amendment (2021 Measures No 1) Bill 2021, the Company will not be sending hard copies of the Notice of Meeting to shareholders. The Notice of Meeting can be viewed and downloaded at www.redmetal.com.au.

Alternatively, a complete copy of the Meeting documents has been posted on the Company's ASX market announcements page.

The Company **strongly encourages Shareholders to lodge a directed proxy form online or otherwise in accordance with the instructions set out in the proxy form prior to the Meeting**. Questions should also be submitted in advance of the Meeting as this will provide management with the best opportunity to prepare for the Meeting, for example by preparing answers in advance to Shareholders questions.

The outcome of the resolutions, including details of votes received by poll, will be released to the Company's ASX announcements platform following conclusion of the meeting.

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the notice of meeting.

In order to receive electronic communications from the Company in the future, please update your Shareholder details online at www.boardroomlimited.com.au and log in with your unique shareholder identification number and postcode (or country for

overseas residents), where you can find your personalised proxy form. Once logged in you can also lodge your proxy vote online by clicking on the "Vote" tab.

If you are unable to access any of the Meeting documents online please contact the Company Secretary, Patrick Flint, on +612 9281 1805 or via email at pflint@redmetal.com.au.

This announcement is authorised for market release by the Board of Red Metal Limited.

Sincerely

Patrick Flint
Company Secretary
Red Metal Limited

RED METAL LIMITED
ACN 103 367 784
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 12:00pm (AEDST)

DATE: 13 April 2021

PLACE: Level 15, 323 Castlereagh Street, SYDNEY NSW 2000

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

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 12:00pm (AEDST) on 11 April 2021.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – DISPOSAL OF INTEREST IN MARONAN PROJECT

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 11.4 and for all other purposes, approval is given for the Company to dispose of a portion of its securities in Maronan Metals Limited, which directly holds the Maronan Project, without an offer, issue or transfer referred to in Listing Rule 11.4.1(b) being made and otherwise on the terms and conditions set out in the Explanatory Statement.”

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

2. RESOLUTION 2 – ISSUE OF MARONAN OPTIONS TO RELATED PARTY – ROBERT RUTHERFORD

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

“That, subject to and conditional on Shareholder approval of Resolution 1 and successful completion of the Capital Raising, for the purposes of section 195(4) and section 208 of the Corporations Act and for all other purposes, approval is given for Maronan Metals Limited to issue up to 2,000,000 Maronan Options to Mr Robert Rutherford (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

3. RESOLUTION 3 – ISSUE OF MARONAN OPTIONS TO RELATED PARTY – RUSSELL BARWICK

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

“That, subject to and conditional on Shareholder approval of Resolution 1 and successful completion of the Capital Raising, for the purposes of section 195(4) and section 208 of the Corporations Act and for all other purposes, approval is given for Maronan Metals Limited to issue up to 2,000,000 Maronan Options to Mr Russell Barwick (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

Dated: 15 March 2021

By order of the Board

**Patrick Flint
Company Secretary
Red Metal Limited**

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 1 – Disposal of interest in Maronan Project

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the acquirer of the asset and any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a holder in ordinary securities in the entity) or any Associates of 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 Prohibition Statements

Resolution 2 and 3 – issue of options to related parties

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolutions 2 and 3 Excluded Party**). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 2 and 3 Excluded Party.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 2 and 3 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) 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 by proxy

Shareholders are strongly urged to appoint the Chair 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 exercised on each item of business, and the Chair of the Meeting must follow your instructions. Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form attached to the Notice of Meeting. Proxy votes must be received by 12:00pm (AEDST) on 11 April 2021.

Voting in person

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

Questions

Shareholders may submit questions in advance of the Shareholder Meeting to the Company Secretary. Questions should be submitted by email to the Company Secretary at pflint@redmetal.com.au.

Enquiries

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 2 9281 1805.

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. BACKGROUND

1.1 Maronan Project

In April 2019, as part of a corporate restructure, ownership of EPM 13368 (**Maronan Project**) was transferred to Maronan Metals Pty Limited (now named 'Maronan Metals Limited') (ACN 156 269 993) (**Maronan**), a wholly owned subsidiary of Red Metal Limited.

This transfer was effected by a sale and purchase agreement entered into on 8 April 2019. The purchase consideration was effectuated as a balance sheet entry for an interest free \$7,004,000 unsecured loan payable by the Company to Maronan. Between 1 July 2020 and 31 December 2020, Red Metal advanced an additional interest free \$392,706 unsecured loan to Maronan in order to fund exploration of the Maronan Project. As at the date of this Notice, Maronan owes a total of \$7,396,706 to the Company (**Maronan Loan**).

The Maronan Project is a lead-silver and copper-gold project. Maronan holds 100% of the Maronan Project.

1.1.1 Location and Infrastructure

The Maronan Project is located in Queensland approximately 190 kilometres East from Mount Isa and 70 kilometres Southeast from Cloncurry. The large Cannington silver-lead-zinc mine is approximately 130 kilometres south by mostly sealed road, and the Eloise copper and gold mine is about 15 kilometres along unsealed road.

There are a number of options for providing power to the Maronan Project, including grid-power from Cloncurry, gas-fired power from Cannington, on-site diesel generation; or potentially solar. Mine water is expected within the deeper regions of the Great Artesian Basin some 20 to 30 kilometres East of the Maronan Project.

Cloncurry, Mount Isa and Townsville are active mining communities providing skilled FIFO and DIDO, employees to operating mines in the region.

1.1.2 Regional Setting

The Maronan lead-silver and copper-gold deposit is an emerging large base metal deposit in the world class Carpentaria Province which hosts several Tier 1 lead-zinc-silver mines and is the most productive zinc terrain in the world. These large lead-zinc-silver deposits form within a unique geological time period and contain about 1.7Bn tonnes of lead-zinc-silver ore comprising greater than 120Mt of zinc, 84Mt lead and 5.36Boz of silver.

1.1.3 Geological Overview and Previous Exploration

The Maronan Project targets bedded lead-silver mineralisation partially overprinted by a separate, structurally controlled, copper-gold mineralisation event. Drilling by Red Metal has successfully defined what is believed to be the

full lateral extent of the separate silver-lead and copper-gold mineralised bodies which both remain open at depth.

The extent of mineralisation and geology has been defined by core logging from 54 HQ/NQ diamond core drill holes drilled by five different companies since 1987 until the present. The spacing between drill-hole pierce points when viewed on a longitudinal section is about 200 metres both vertically and laterally but varies between about 100 and 400 metres. The 54 holes average 631 metres deep and range in depth between 150 metres and 1469 metres. Holes were generally angled towards grid east to optimally intersect the mineralised zones.

Drilling on Maronan has identified two separate styles of mineralisation, bedded lead-silver mineralisation partially overprinted by structurally controlled, copper-gold mineralisation.

The bedded lead-silver mineralisation broadly occurs as two separate but sub-parallel banded exhalative units which are bound and interfingered by graded bedded, quartz clastic meta-sediments (psammites, pelites and quartzite) typical of deep water, turbidite sequences. The Western (Upper) Banded Lead Sulphide and Eastern (Lower) Banded Lead Sulphide units can be separated by up to 100 metres of quartz clastic rocks and appear to have different lead/silver ratios. The Western and Eastern units each contain multiple mineralised horizons.

The mineralised exhalative horizons are dominantly carbonate with lead sulphide, variable pyrrhotite and lesser quartz, magnetite, calcsilicates and apatite. These horizons grade to barren, carbonate-poor, exhalatives or iron formations towards the edge of the vent system where quartz, magnetite and calcsilicate minerals dominate the assemblage. Minor marker beds of biotite meta-pelite, garnet quartzite and chert are interbedded throughout the exhalative sequences. Metamorphic marbling and recrystallisation, some pyroxene skarnification and local structural remobilisation and grain-size coarsening of sulphides are common throughout the deposit.

The bedded mineralisation is folded about steep plunging, tight to isoclinal, fold structures with attenuated or transposed limbs and a thickened hinge zone region. Limbs of the folds and the axial planar foliation are sub-parallel and dip between 60 and 80 degrees towards the west northwest. Structural remobilised mineralisation is generally very coarse grained and appears to parallel the axial plane to the northern fold structure which dips between 60 and 80 degrees towards the west northwest sub-parallel to the bedding. Lead and silver mineralisation is also locally remobilised and enriched into the hinge regions to steep plunging parasitic fold structures and some late veins and structures in quartz clastic rocks adjacent to the bedded, mineralised sequences.

The geology of the silver-lead mineralisation at Maronan bears strong similarities to that of the giant Cannington deposit, operated by South32 Limited some 90 kilometres to the south. Unlike Cannington, Maronan is steep dipping, less metamorphosed, less structurally complex and remains open at depth. Maronan is zinc-poor and characterised by softer, carbonate-dominant ore horizons rather than the zinc-enriched, silicate-dominant ore horizons mined at Cannington. Very high-grade mineralisation like that originally mined at Cannington remains to be discovered at Maronan but zonation vectors have lead Red Metal to speculate that such a deposit may exist at depth.

The overprinting copper-gold mineralisation at Maronan can be compared with the Iron-Sulphide Copper-Gold (ISCG) mineralisation styles at the nearby Eloise and Osborne ore bodies. Mineralisation is associated with intense silica and pyrrhotite alteration within a bedding-parallel structure focused between the

Western and Eastern lead-silver mineralised units. The veins and alteration zones are characterised by strong pyrrhotite and silica with variable chalcopyrite and carbonate, some magnetite, proximal biotite alteration and more distal sericite alteration. At Eloise, the mineralisation zones from iron-sulphide dominant to higher-grade copper-sulphide dominant styles and it is speculated this zonation pattern may be replicated with deeper drilling at Maronan.

Both mineralisation styles have shown improvement in grade and widths at depth and remain open down-plunge and at shallow levels between the existing wide spaced intercepts.

Recent analysis by Red Metal has deduced vectors from analyzing the drilling to date that suggest the possibility of a large, higher grade Cannington style silver-lead-zinc deposit and enriched copper-gold system existing at depth below the presently outlined resources.

In late 2020 Red Metal completed trial 2D seismic lines over the deposit which attempt to create an image of the continuation of mineralisation at depth and de-risk any future deep drilling on the deposit. Interpretations of the new seismic data are in progress.

1.1.4 Inferred Resource (JORC 2012)

A maiden JORC 2012 compliant Inferred Resource was estimated in October 2015 - refer to announcement dated 27 October 2015 for further details.

Cross section and level plans were prepared providing lead grade envelope interpretations of the multiple lead-silver horizons. Resource estimates were made applying a range of lower cut-offs to the lead grade as an aid to determining which parameters could best enhance the projects economics. The resource estimates for the fresh lead-silver mineralisation defined an inferred resource of;

- (a) 7.0 Mt at 10.68% lead and 144 g/t silver using a $\geq 8\%$ lead cut-off grade;
- (b) 19.2 Mt at 7.91% lead and 114 g/t silver using a $\geq 5\%$ lead cut-off grade;
- (c) 30.8 Mt at 6.50% lead and 106 g/t silver using a $\geq 3\%$ lead cut-off grade;
- (d) 45.3 Mt at 5.05% lead and 86 g/t silver using a $\geq 1\%$ lead cut-off grade.

Resource estimates for the separate copper and gold deposit using a lower cut-off grade at $\geq 0.5\%$ copper defined a total inferred resource for the fresh and weathered mineralisation of 19.2 Mt at 1.24% copper and 0.6 g/t gold.

The work defined preferred regions of thicker and/or higher-grade lenses within the deposit and also identified priority areas which offer scope for defining mineable lenses at quite shallow depths including some within about 100 metres of surface.

Both the lead-silver resource and copper-gold resource have steep west northwest plunges and remain open at depth.

1.1.4.1 Lead-Silver Inferred Resource (JORC 2012)

The Maronan lead-silver resource estimate was constrained using manually interpreted, mineralisation envelopes at a lower cut-off grade of $\geq 3\%$ lead and

≥1% lead. This work divided the lead-silver deposit into the separate Western (Upper) mineralised zone and Eastern (Lower) mineralised zone distinguishable by their location, geochemistry and different silver to lead ratios. The Western and Eastern zones each contain between 2 and 6 parallel, planar horizons or lens of mineralisation which typically range from 1 to 10 metres in true thickness and appear to be tightly folded and thickened towards their northern ends. Locally lenses can have true widths of up to 20 metres.

Level plan interpretations show the individual horizons to be laterally continuous over about 200 metres with some up to 700 metres long. Cross section interpretations indicate very strong vertical continuity with planar horizons extending down-dip for greater than 1000 metres. Structural deformation forming steep west northwest plunging fold structures and elongation lineations is believed to have enhanced the vertical continuity and locally thickened some horizons. Interpreted northeasterly trending faults and the late-stage copper-gold mineralisation locally disrupt the continuity of some lead-silver horizons.

The majority of the inferred lead-silver resource is situated between about 200 and 1200 metres below surface with some small lens of potentially mineable mineralisation interpreted to extend to within about 100 metres of the surface. The mineralised horizons remain open at depth.

1.1.4.2 Copper-Gold Inferred Resource (JORC 2012)

The inferred copper-gold resource was constrained using manually interpreted, mineralisation envelopes at a lower cut-off grade of ≥0.5% copper. The inferred resource is contained within two planar, parallel lenses that flank a wide stockwork vein zone of silica-carbonate-pyrrhotite which is essentially unmineralised. The majority of the resource is within the larger western lens which in plan is about 400 metres long, 25 metres wide tapering to about 5 metres towards the ends. Cross section interpretations indicate very strong vertical continuity with the western lens extending down-dip for greater than 900 metres. The lenses have a steep west northwest plunge and remain open at depth where the grades appear to be improving.

The bulk of the copper and gold resources are situated between about 170 and 1200 metres below surface with narrow lenses of mineralisation interpreted to extend to within about 50 metres of surface.

A small inferred resource of chalcocite with minor native copper mineralisation is recognised in the weathered zone above the fresh chalcopyrite mineralisation. Weathering of the primary sulphide mineralisation generally extends to less than about 80 metres below surface however it is locally deeply weathered to about 800 metres on the western margin of the copper vein zone immediately south of the cross cutting mafic dyke. Core recoveries for the weathered style of mineralisation are generally low which may have resulted in an underestimate of the contained metal content in the weathered zone. Future exploration could define an economically significant chalcocite resource and triple-tube diamond core drilling is recommended to improve core and metal recoveries in the weathered zone.

1.1.5 Preliminary Metallurgical Testwork

Bench scale metallurgical test work on a representative composite sample of medium-grade mineralisation was undertaken in 2015 (refer to announcement dated 29 July 2015). The test work returned some exceptional results from coarsely-ground fractions and outlined a potentially simple processing option for the Maronan silver-lead mineralisation. Importantly, the mineralised test sample

had a low Bond Ball Mill Work Index highlighting the potential for low-cost milling. In addition, preliminary pre-beneficiation tests identified scope for the application of heavy medium separation to further improve the flowsheet design and economics.

Bench scale flotation tests at a range of grind sizes have shown:

- (a) There is the likelihood of quickly concentrating a saleable product by recovering 92-96% of the lead, 91-94% of the silver with grades ranging 70-75% lead, 776-932g/t silver. These recoveries are achieved at a very early stage in the concentration process with optimisation by further processing likely.
- (b) The concentrate is almost pure, relatively coarse, lead sulphide (galena) derived from a very simple metallurgy. The galena is associated with almost all the silver.
- (c) All deleterious elements are below present penalty rates with the exception of fluorine which measures about 5440ppm. Fluorine minerals (fluorite and apatite) can be removed from concentrate by acid leaching in the presence of aluminum sulphate. This method is applied to concentrates from the nearby Cannington Mine.

The mineralised test sample has a low Bond Ball Mill Work Index of 8.4 kWh/t when ground to 212 microns which is "soft" and reflects the carbonate composition of the ore host rock. Maronan mineralisation is believed to have a much lower work index than other silicate-hosted ore types mined in the district.

Preliminary pre-beneficiation tests identified scope for heavy medium separation of quartz and calcite waste rock at -12.5mm, which has the potential to further improve the flowsheet design and economics.

More extensive metallurgical sampling and test work is required in the future to add support to these preliminary findings.

1.1.6 Preliminary Mine Scoping Study

A preliminary mine scoping study was completed in 2016 (refer to announcement dated 8 March 2016). The study examined the possible underground mining and processing options and their potential economic benefit in order for Red Metal to optimise planning for the next stage of project development. The key results from the study include:

- (a) The Study provides a strong case for further infill and step-out exploration drilling to upgrade the resource status and seek extensions as a prerequisite to firming up mining plans.
- (b) Subject to satisfactory completion of significant further work, the Study highlighted the potential to generate strong positive cash flows for either a stand-alone mining option or, one that assumes trucking ore to an off-site plant. Both scenarios appear robust using current and long term metal price forecasts.
- (c) Simple metallurgy and low grinding cost estimates enable low cut-off grades for stand alone and trucking and off-site plant scenarios.
- (d) The shallowest potential ore blocks defined by the Study are within about 90 metres of surface suggesting that ore production could be

established, with the consequent benefits to mine cash flow, well before decline development reaches the bulk of the deposit.

- (e) The average mining width for the potential ore blocks is estimated to be about 9 metres for the lead-silver horizons and about 13 metres for the copper-gold vein zone.

The information in this report that relates to Exploration Results and estimates of Mineral Resources for the Maronan Project was previously reported by the Company in compliance with JORC 2012 in various market releases with the last one being dated 27 September 2018. The Company confirms that it is not aware of any new information or data that materially affects the information included in those earlier market announcements and, in the case of the estimate of Mineral Resources all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

1.2 Settlement of the Maronan Loan

The Company and Maronan have entered into an agreement pursuant to which the Maronan Loan will be discharged (**Loan Settlement Agreement**) prior to Maronan's proposed admission to the official list of the ASX (**Official List**), with:

- (a) \$5,396,706 to be discharged through the Company's holdings of shares and performance shares in Maronan (**Maronan Shares**); and
- (b) \$2,000,000 to be discharged through a cash payment to be made immediately prior to listing as reimbursement for expenditure incurred by the Company in developing the Maronan Project (having expended approximately \$10 million in development of the Maronan Project since 2009).

In addition, Maronan will issue 20,000,000 performance shares to the Company (**Performance Shares**) which will convert into Maronan Shares upon satisfaction of the following milestones:

- (a) **Milestone 1:** 10,000,000 Performance Shares converting upon Maronan announcing an independently estimated Pb-Ag JORC compliant resource with not less than 15.0 million tonnes in an indicated category (at 3.0% Pb lower cut-off); and
- (b) **Milestone 2:** 10,000,000 Performance Shares converting upon Maronan announcing an independently estimated JORC compliant total resource in at least an inferred category of not less than:
 - (i) in regard to a Pb-Ag resource, 46.0 million tonnes (at 3.0% Pb lower cut-off); or
 - (ii) in regard to a Cu-Au resource, 22.0 million tonnes (at 1.0% Cu lower cut-off).

1.3 Spin Out and Capital Raising

The Company intends to undertake a non-standard partial spin-out of its interest in the Maronan Project (**Spin Out**), through Red Metal retaining an approximate 54.55% interest in Maronan following completion of an initial capital raising to be completed by Maronan in support of its proposed admission to the Official List (**Capital Raising**).

Maronan intends to issue 100,000,000 Maronan Shares at an issue price of \$0.30 per Maronan Share to raise \$30,000,000 (**Minimum Subscription**), with an ability to accept oversubscriptions for up to an additional 20,000,000 Maronan Shares at an issue price of \$0.30 to raise up to an additional \$6,000,000 (**Maximum Subscription**).

It is intended that a priority offer will be made to eligible Shareholders (being Shareholders of the Company with a registered address in Australia on the record date that will be set by the prospectus pursuant to which the Capital Raising is made (**Eligible Shareholders**)). Under the priority offer, Eligible Shareholders will be entitled to subscribe for up to 33,333,333 Shares (representing \$10,000,000 of the total Capital Raising Amount), subject to Eligible Shareholders applying for at least a minimum parcel of 6,667 Shares (worth \$2,000).

Eligible Shareholders will be issued with a copy of the prospectus, accompanied by a personalised priority offer application form. Applications under the priority offer will only be able to be made in the registered name of the Eligible Shareholder set out on their personalised priority offer application forms. Should investors wish to apply for Shares under the Capital Raising in a name other than the Eligible Shareholder, they will be required to apply under the public offer.

The Company's interest in Maronan at the date of this Notice; and following the Capital Raising (at Minimum Subscription and at Maximum Subscription) is as follows:

	Minimum Subscription	Red Metal's interest in Maronan (Minimum)	Maximum Subscription	Red Metal's interest in Maronan (Maximum)
Existing Shares ¹	120,000,010	100.00%	120,000,010	100.00%
Post Capital Raising	120,000,010	54.55% ^{2 4}	120,000,010	50.00% ^{3 4}

Notes:

1. 100% held by the Company.
2. Assuming that the minimum subscription of 100,000,000 Shares is achieved under the Capital Raising.
3. Assuming that the maximum subscription of 120,000,000 Shares is achieved under the Capital Raising.
4. Assuming that no convertible securities are exercised.

ASX has advised that the Maronan Project is a major asset of the Company and, as such, the Company requires Shareholder approval under Listing Rule 11.4 (the subject of Resolution 1) in order to allow its interest in Maronan to be diluted pursuant to the Capital Raising.

2. RESOLUTION 1 – DISPOSAL OF INTEREST IN MARONAN PROJECT

2.1 General

Under Listing Rules 11.4 and 11.4.1, a listed Company can only dispose of an interest in a major asset if:

- (a) the securities in its child entity (other than those being retained by the company) are being offered, issued or transferred pro rata to the

holders of the ordinary shares in the company, or in another way that, in ASX's opinion, is fair in all the circumstances; or

- (b) the company's shareholders approve of the disposal.

The Spin Out is considered to be a disposal of a major asset for these purposes and paragraph (a) above does not apply, so it is a requirement for the Spin Out to proceed that the Company's shareholders approve the Spin Out under paragraph (b) above.

Resolution 1 seeks the required Shareholder approval to the Spin Out under and for the purposes of Listing Rule 11.4.1(b).

If Resolution 1 is passed, the Company will be able to proceed with the Spin Out and dispose of approximately 45.45% of its interest in the Maronan Project and continue to focus on its existing project opportunities, as well as exploring new projects with the aim of delivering value to its Shareholders.

If Resolution 1 is not passed, the Company will not be able to proceed with the Spin Out and it will not dispose of its interest in the Maronan Project. Additionally, if Resolution 1 is not passed, Maronan will not be able to conduct the Capital Raising and, consequently, will not have the means to repay any funds owed to the Company pursuant to the Maronan Loan; nor to reimburse the Company for expenses incurred in the development of the Maronan Project. In that event, the Company may seek suitable other disposal, joint venture and/or investment opportunities to deliver value to the Shareholders and otherwise as set out in Section 2.9.

The Company considers that the Spin Out, proceeding on the basis of Shareholder's Listing Rule 11.4.1(b) approval, without the offer, issue or transfer referred to in Listing Rule 11.4.1(a) is in the best interests of the Company and its Shareholders because of the advantages listed in Section 2.6.

2.2 Major Asset and Consideration for Maronan Project

Pursuant to Guidance Note 13, ASX will regard an asset to be a major asset if its disposal will result in a decrease of 25% or more in any of the following measures:

- (a) consolidated total assets;
- (b) consolidated total equity interests;
- (c) consolidated annual revenue, or in the case of a mining exploration entity, oil and gas exploration entity or other entity that is no earning material revenue from operations, consolidated annual expenditure;
- (d) consolidated EBITDA; or
- (e) consolidated annual profit before tax,

or if the value of the consideration received by the listing entity and its security holders for disposing of the asset exceeds 25% of its consolidated total assets.

As set out at Section 1.3 above, the Capital Raising (if permitted) will result in the Company's interest in the Maronan Project reducing by between 45.45% to 50% at Minimum Subscription and Maximum Subscription (respectively).

2.3 Value of Asset

The value of the asset is estimated by the Board to be \$7,396,706 (being the current amount of the Maronan Loan), comprising the April 2019 transfer purchase consideration of \$7,004,000 and subsequent loans to fund exploration of \$392,706.

In the event the Spin Out is completed and the Minimum Subscription is raised, Maronan will have a market capitalisation (based on a \$0.30 issue price under the Capital Raising) of \$66 million and cash (before expenses and administrative costs incurred during the transaction process) of approximately \$28 million.

As the Maronan Project is an exploration asset, the Company has not earned any revenue from the Maronan Project.

2.4 Effect of the disposal of interests in the Maronan Project

The pro-forma statement of the financial position of the Company showing the financial effect of the Spin Out of the Maronan Project on the Company is annexed as Schedule 3 as at 31 December 2020.

The Spin Out will:

- (a) enable the Company to redirect funds toward exploration at the Company's other projects, with a net result being an anticipated reduction of total exploration expenditure of approximately \$350,000;
- (b) not impact the capital structure of the Company;
- (c) not have a dilutionary effect on the Shareholders; and
- (d) not result in any changes to the Board or Company name.

Shareholders will not be impacted by the Spin Out, other than to the extent of the Company's divestment of part of in the Company's interest in the Maronan Project, and the receipt of funds in repayment of the Maronan Loan; and the receipt of Performance Shares as set out in Section 1.2 above.

2.5 Intention following disposal of the interest in the Maronan Project

By virtue of completing the Capital Raising and the subsequent Spin Out, the Company will receive \$2,000,000 in cash from Maronan as partial repayment of the Maronan Loan.

Accordingly, completion of the Spin Out will result in an increase to the Company's existing working capital, freeing up funds for the Company to further explore its remaining projects without the need to raise additional capital and potentially diluting existing Shareholders.

The Company will also continue to review project opportunities in the mineral exploration and project development space with a view to maximise Shareholder value.

2.6 Advantages of the Disposal of the Interest in the Maronan Project

The Directors believe that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on Resolution 1 as it will allow the Company to:

- (a) retain an indirect interest in the Maronan Project by continuing to hold Maronan Shares, and receiving Performance Shares;
- (b) focus its efforts on its existing portfolio of assets;
- (c) noting that the Maronan Project has already been successfully transferred to Maronan, the proposed Capital Raising will allow Maronan to advance the Maronan Project, which Shareholders will continue to hold an indirect interest in; and
- (d) receive an increase to its working capital following of the payment of \$2,000,000 cash in partial repayment of the Maronan Loan, which is only possible following completion of the Capital Raising. This injection of working capital will permit the Company to further explore its remaining projects without the need to raise additional capital and potentially diluting existing Shareholders.

2.7 Disadvantages of the Disposal of the Interest in the Maronan Project

The Directors believe that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on Resolution 1:

- (a) the proposed disposal involves the Company reducing its interest in a major asset (as discussed in Section 1.3 above), which may not be consistent with the investment objectives of all Shareholders; and
- (b) subject to the Company's further consultation in respect of any further asset acquisitions, there may be significant re-compliance costs associated with the acquisition of new assets if ASX determine that such acquisitions require full re-compliance with Chapters 1 and 2 of the Listing Rules.

The Company notes that, while the acquisition and disposal of Shares have inherent tax consequences which will differ depending on the individual financial affairs of each Shareholder, the Spin Out will have no direct tax implications on Shareholders. This is due to the fact that the proposed transaction entails a non-standard partial spin out where Eligible Shareholders will be entitled to, but not required, to participate in the Capital Raising and will not be issued Maronan Shares under the Spin Out due to Shareholders' interests in Maronan being held indirectly through the Company's holding of Maronan Shares.

2.8 Indicative Timetable

The below timetable is a summary of the dates relevant to the Spin Out and future dates are indicative only and subject to change:

Event ¹	Date
Lodgement of Capital Raising prospectus	6 April 2021
Shareholder Approval - General Meeting (under this Notice)	13 April 2021
Open of Capital Raising offer	13 April 2021
Completion of Capital Raising and Maronan's admission to the Official List	Q2 2021

2.9 Implications if the Disposal of the Interest in the Maronan Project does not proceed

In the event that Resolution 1 is not passed and/ or for any other reason the Company does not dispose of a portion of its interest in the Maronan Project, it will, amongst other things:

- (a) continue to hold 100% of Maronan (and the Maronan Project), and continue to investigate opportunities to obtain value from the Maronan Project;
- (b) explore opportunities for Maronan to raise equity capital to enable it to exploration activities at the Maronan Project; and
- (c) continue to undertake exploration activities in respect of its existing other assets.

2.10 Forward Looking Statements

The forward-looking statements in this Explanatory Statement are based on the Company's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward-looking statements in this Explanatory Statement. Forward-looking statements include those containing words such as 'anticipate', 'estimates', 'should', 'will', 'expects', 'plans' or similar expressions.

2.11 Board and Senior Management Changes

There will be no changes to the Board or the Company's senior management as a result of or in connection with completion of the Spin Out.

2.12 Material Information

Comprehensive disclosure required by Guidance Note 13 regarding the proposed disposal of the Maronan Project is contained within Sections 1 and 2, including the following:

- (a) name of the 'spin-out vehicle' and its parent entity are set out in Section 1.3;
- (b) how the spin out is to be effected (including details of consideration, securities, participation and timetable) are set out in Sections 1.2 and 1.3;
- (c) information regarding the asset being spun out (the Maronan Project), including the asset description and valuations, is set out in Sections 1.3 and 2.3;
- (d) the impact the Spin Out will have on the Company (including financial measures) is set out in Section 2.4;
- (e) the impact of the Spin Out on Shareholders is set out in Section 2.4;
- (f) the reason why the Directors consider that effecting the Spin Out without offer, issue or transfer being made is in the interest of the Company and the Shareholders is set out in Sections 2.4, 2.6, and 2.13;

- (g) the material terms of the agreement pursuant to which the Maronan Project was transferred, as well as the Loan Settlement Agreement are set out in Sections 1.1 and 1.2; and
- (h) a voting exclusion statement is included in this Notice.

2.13 Board Recommendation

The Board notes that its Directors have the following interests in the outcome of Resolution 1:

- (a) as at the date of this Notice, each member of the Board is a director of Maronan, each of whom intends to remain as directors of the Company following Maronan's proposed listing;
- (b) each of the Directors holds an indirect interest in the capital of Maronan by virtue of their respective holdings of shares in the capital of Red Metal, the current sole shareholder of Maronan (though it is noted that their indirect interest in Maronan will be diluted by virtue of the Spin Out); and
- (c) subject to and conditional on Shareholder approval of Resolutions 1 to 3, Messrs Rutherford and Barwick will receive an aggregate sum of 4,000,000 Maronan Options, further details of which are set out in Section 3,

however, the Board does not consider that the above interests are considered material in the context of the Spin Out.

The Board has approved the proposal to put Resolution 1 to the Shareholders.

Based on the information available, all of the Directors consider that the proposed partial spin-out of the Maronan Project pursuant to the Capital Raising is in the best interests of the Company and the Shareholders; and recommend that Shareholders vote in favour of Resolution 1.

3. RESOLUTIONS 2 AND 3 – ISSUE OF MARONAN OPTIONS TO RELATED PARTIES

3.1 General

The Company has agreed, subject to obtaining Shareholder approval (including Shareholder approval of the Spin Out the subject of Resolution 1) and successful completion of the Capital Raising and listing of Maronan, to issue up to an aggregate of 4,000,000 options to acquire Maronan Shares (**Maronan Options**) to Mr Robert Rutherford and Mr Russell Barwick (or their respective nominees) (**Related Parties**) on the terms and conditions set out below.

Resolutions 2 and 3 seek Shareholder approval for the issue of the Maronan Options to the Related Parties. In the event the Maronan Options are issued, the Company anticipates that the Maronan Options will be subject to ASX imposed escrow for 24 months from the date of Maronan being quoted on the Official List of ASX.

3.2 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 Maronan Options to the Related Parties constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

As the Maronan Options are proposed to be issued to a majority of the Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Maronan Options. Accordingly, Shareholder approval for the issue of Maronan Options to the Related Parties is sought in accordance with Chapter 2E of the Corporations Act.

3.3 Technical Information required by section 219 of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided in relation to Resolutions 2 and 3:

- (a) the Maronan Options will be issued to the following persons:
 - (i) Mr Robert Rutherford (or his nominee) pursuant to Resolution 2; and
 - (ii) Mr Russell Barwick (or his nominee) pursuant to Resolution 3,each of whom is a related party of the Company by virtue of being a director of the Company (and Maronan);
- (b) the maximum number of Maronan Options to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 4,000,000 comprising up to :
 - (i) 2,000,000 Maronan Options to Mr Robert Rutherford (or his nominee) pursuant to Resolution 2;
 - (ii) 2,000,000 Maronan Options to Mr Russell Barwick (or his nominee) pursuant to Resolution 3,
- (c) the terms and conditions of the Maronan Options are set out in Schedule 1;
- (d) the issue price of the Maronan Options will be nil. The Company will not receive any other consideration in respect of the issue of the Maronan Options as funds paid on exercise will be paid to Maronan;
- (e) the purpose of the issue of the Maronan Options is to provide a performance linked incentive component in the remuneration package for the Related Parties in their capacity as directors of Maronan to align the interests of the Related Parties with those of Maronan's shareholders, to motivate and reward the performance of the Related Parties in their roles as directors of Maronan and to provide a cost effective way from the Company to remunerate the Related Parties, which 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 the Related Parties;

- (f) the Maronan Options are unquoted options. The Company has agreed to issue the Maronan Options to the Related Parties subject to Shareholder for the following reasons:
- (i) the Maronan Options are unquoted and, if exercised, will result in the issue of Maronan Shares, rather than shares in the capital of Red Metal; therefore, the issue of the Maronan Options has no dilutionary impact on Shareholders;
 - (ii) the deferred taxation benefit which is available to the Related Parties in respect of an issue of Maronan Options is also beneficial to the Company as it means the Related Parties are not required to immediately sell the Maronan Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Maronan Options on the terms proposed;
- (g) the number of Maronan Options to be issued to each of the Related Parties has been determined based upon a consideration of:
- (i) current market standards and/or practices of other unlisted companies of a similar size and stage of development to Maronan; and
 - (ii) incentives to attract and retain the service of the Related Parties who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.

The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Maronan Options upon the terms proposed;

- (h) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total annual remuneration package post completion of the Capital Raising in connection with each of the Related Parties' position as directors of Maronan are set out below:

Related Party	Proposed Annual Remuneration	Previous Financial Year ³
Robert Rutherford ¹	250,000	Nil
Russell Barwick ²	290,000	Nil

Notes:

1. Comprising Director's fees of \$50,000 (inclusive of superannuation) and share-based payments of \$200,000, being the value of the Maronan Options.
2. Comprising Director's fees of \$90,000 (inclusive of superannuation) and share-based payments of \$200,000, being the value of the Maronan Options.

3. The Related Parties received nil remuneration in their position as directors of Maronan in the year ended 30 June 2020 and in the half year period ended 31 December 2020.
- (i) the value of the Maronan Options and the pricing methodology is set out in Schedule 2;
 - (j) the Maronan Options are not being issued under an agreement;
 - (k) at present, the Related Parties do not have any direct interest in the securities of Maronan, though they hold an indirect interest by virtue of their interest in the Company, which holds 100% of Maronan;
 - (l) if the Maronan Options issued to the Related Parties are exercised, a total of 4,000,000 Shares would be issued. This will increase the number of Shares on issue from 220,000,010 (being the total number of Shares on issue as at completion of the Capital Raising, assuming the Minimum Subscription is achieved) to 224,000,010 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 1.78%, comprising 0.89% by Robert Rutherford and 0.89% by Russell Barwick;
 - (m) as Maronan is an unlisted entity that has not previously been admitted to the Official List, there is no trading history of the Maronan Shares on ASX in the 12 months before the date of this Notice.
 - (n) each of Messrs Rutherford and Barwick have a material personal interest in the outcome of Resolutions 2 and 3 on the basis that each of the Related Parties (or their respective nominees) are to be issued Maronan Options should Resolutions 2 and 3 be passed. For this reason, the Related Parties do not believe that it is appropriate to make a recommendation on Resolutions 2 and 3 of this Notice; and
 - (o) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 2 and 3.

GLOSSARY

\$ means Australian dollars.

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.

Capital Raising means the proposed issue by Maronan of 100,000,000 Maronan Shares at an issue price of \$0.30 per Maronan Share to raise \$30,000,000, with an ability to accept oversubscriptions for up to an additional 20,000,000 Maronan Shares at an issue price of \$0.30 to raise up to an additional \$6,000,000.

Chair means the chair of the Meeting.

Company means Red Metal Limited (ACN 103 367 784).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Listing Rules means the Listing Rules of ASX.

Maronan means Maronan Metals Limited (ACN 156 269 993), a wholly owned subsidiary of the Company.

Maronan Option means an option to acquire a Maronan Share with the terms and conditions set out in Schedule 1 .

Maronan Project means EPM 13368, a lead-silver and copper-gold project located in Mount Isa, Queensland, that is 100% held by Maronan.

Maronan Share means a fully paid ordinary share in the capital of Maronan.

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

Official List means the official list of the ASX.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

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.

Spin Out has the meaning given to it at Section 1.2.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

SCHEDULE 1 – TERMS AND CONDITIONS OF MARONAN OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one fully paid ordinary share (**Share**) in the capital of Maronan Metals Limited (ACN 156 269 993) (**Company**) upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.375 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00pm (AEST) on the day that is 3 years from the date of issue (**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 on the Option certificate (**Notice of Exercise**) 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**

Within five Business Days after the Exercise Date, 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 – VALUATION OF MARONAN OPTIONS

The Options to be issued to the Related Parties pursuant to Resolutions 2 and 3 have been valued internally by management.

Using the Black & Scholes option model and based on the assumptions set out below, the Options were ascribed the following value:

Assumptions:	
Valuation date	15 February 2021
Market price of Shares	0.30 cents
Exercise price	0.375 cents
Expiry date (length of time from issue)	3 years
Risk free interest rate	0.1%
Volatility (discount)	60%
Indicative value per Related Party Option	10.0 cents
Total Value of Options	\$400,000
Robert Rutherford (Resolution 2)	\$200,000
Russell Barwick (Resolution 3)	\$200,000

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

SCHEDULE 3 – PRO-FORMA STATEMENT OF FINANCIAL POSITION

	Management Accounts 31 Dec 2020	Proforma 31 Dec 2020
	\$'000	\$'000
CURRENT ASSETS		
Cash and cash equivalents	3,539	5,539
Trade and other receivables	54	54
TOTAL CURRENT ASSETS	3,593	5,593
NON-CURRENT ASSETS		
Receivables	88	88
Property, plant and equipment	13	13
Investment in Maronan Metals Limited	-	5,397
Right-of-use assets	180	180
Exploration, evaluation and development expenditure	444	333
TOTAL NON-CURRENT ASSETS	725	6,011
TOTAL ASSETS	4,318	11,604
CURRENT LIABILITIES		
Trade and other payables	317	317
Lease liabilities	89	89
Employee benefits	132	132
TOTAL CURRENT LIABILITIES	538	538
NON-CURRENT LIABILITIES		
Lease liabilities	91	91
TOTAL NON-CURRENT LIABILITIES	91	91
TOTAL LIABILITIES	629	629
NET ASSETS	3,689	10,975
EQUITY		
Issued capital	36,352	36,352
Option reserve	2,747	2,747
Accumulated losses	(35,411)	(28,124)
TOTAL EQUITY	3,689	10,975



All Correspondence to:

- By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- By Fax:** +61 2 9290 9655
- Online:** www.boardroomlimited.com.au
- By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 12:00pm (AEDST) on Sunday 11 April 2021.**

TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/rdmgm2021>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **12:00pm on Sunday, 11 April 2021.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- Online** <https://www.votingonline.com.au/rdm2021gm>
- By Fax** + 61 2 9290 9655
- By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Red Metal Limited

ACN 103 687 364

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Red Metal Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at **Level 15, 323 Castlereagh Street, SYDNEY NSW 2000 on Tuesday, 13 April 2021 at 12:00pm (AEDST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 2 and 3 (except where I/we have indicated a different voting intention below) even though Resolutions 2 and 3 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

STEP 2 VOTING DIRECTIONS
* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Disposal of Interest in Maronan Project	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Issue of Maronan Options to Mr Robert Rutherford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Maronan Options to Mr Russell Barwick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date / / 2021