



21 October 2024

Vital Metals Limited Annual General Meeting Notice and Access Letter

Notice is hereby given that the Annual General Meeting (**Meeting**) of Shareholders of Vital Metals Limited (**Company** or **Vital**) will be held at Level 5, 56 Pitt Street, Sydney NSW 2000 at 10:00 am (AEDT) on 21 November 2024.

As permitted by the *Corporations Act 2001* (Cth), the Company will not be sending hard copies of the Notice of Meeting and accompanying Explanatory Memorandum (**Notice of Meeting**) to shareholders unless a shareholder has requested a hard copy. The Notice of Meeting can be viewed and downloaded from the link set out below:

<https://vitalmetals.com/investor-centre/asx-announcements/>

Alternatively, the Notice of Meeting will also be available on the ASX website, ticker code: VML, at the following link:

<https://www.asx.com.au/markets/company/VML>

If you are unable to attend the Meeting, you can lodge a proxy vote online via our Share Registry by taking the following steps:

1. Go to investor.automic.com.au
2. Log on using your unique shareholder identification number and enter your Australian postcode as well as the Company's ASX code (if you are an overseas resident please amend the country name to the country in which you reside).
3. Select on the "I'm not a robot" box and follow the prompt.
4. Click on the "Meetings" button.
5. Click on the "vote" button.

Alternatively, you can complete and lodge the personalised Proxy Form for the Meeting enclosed with this letter.

In order for your proxy to count, you will need to either complete an online proxy, or lodge your completed hard copy Proxy Form as per the instructions on the enclosed Proxy Form, by no later than 10.00am (AEDT) on 19 November 2024.

The Company strongly encourages all shareholders to lodge their directed proxy votes prior to the Meeting and appoint the Chair as their proxy. All voting at the Meeting will be conducted by poll.

If it becomes necessary or appropriate to make alternative arrangements to those set out in the Notice of Meeting, the Company will notify shareholders accordingly via the Company's website and the ASX Market Announcements Platform. In order to receive electronic communications from the Company in the future, please update your Shareholder details online at <https://investor.automic.com.au/#/home> and log in with your unique shareholder identification number and postcode (or country for overseas residents).

The Notice of Meeting is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company's share registry, Automic on 1300 288 664.

Yours faithfully,

Louisa Martino
Company Secretary

VITAL METALS LIMITED
ACN 112 032 596
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10.00am (AEDT)
DATE: 21 November 2024
PLACE: Level 5
56 Pitt Street,
SYDNEY NSW 2000

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 7.00pm (AEDT) on 19 November 2024.

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 2024 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 2024.”

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 – ELECTION OF DIRECTOR – MICHAEL BROOK

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 7.6 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Michael Brook, a Director who was appointed casually on 8 May 2024, retires, and being eligible, is elected as a Director.”

4. RESOLUTION 3 – ELECTION OF DIRECTOR – ZANE LEWIS

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 7.6 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Zane Lewis, a Director who was appointed casually on 12 August 2024, retires, and being eligible, is elected as a Director.”

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 SUBSCRIPTION SHARES TO SHENGHE – 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 58,302,225 Shares 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 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 SUBSCRIPTION SHARES TO SHENGHE – LISTING RULE 7.1A

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 530,614,975 Shares on the terms and conditions set out in the Explanatory Statement.”

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

7. RESOLUTION 6 – APPROVAL TO ISSUE OPTIONS TO CORPORATE ADVISOR

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 7.1 and for all other purposes, approval is given for the Company to issue 200,000,000 Options 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 – APPROVAL TO ISSUE TRANCHE 2 SUBSCRIPTION SHARES TO SHENGHE

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 7.1 and for all other purposes, approval is given for the Company to issue up to 591,688,698 Shares on the terms and conditions set out in the Explanatory Statement.”

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

9. RESOLUTION 8 – 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.”

10. RESOLUTION 9 – ISSUE OF OPTIONS TO RELATED PARTY – LISA RILEY

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 60,000,000 Sign-On Options to Ms Lisa Riley (or her nominee), under the Company’s Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement.”

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

11. RESOLUTION 10 – ISSUE OF OPTIONS TO RELATED PARTY – LISA RILEY

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 60,000,000 Incentive Options to Ms Lisa Riley (or her nominee), under the Company’s Employee Securities Incentive Plan, and on the terms and conditions set out in the Explanatory Statement.”

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

12. RESOLUTION 11 – ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTY – LISA RILEY

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

“That, for the purposes Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 46,200,000 Performance Rights to Ms Lisa Riley (or her nominee), under the Company’s Employee Securities Incentive Plan, and on the terms and conditions set out in the Explanatory Statement.”

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

13. RESOLUTION 12 - APPROVAL OF GRANT OF POTENTIAL TERMINATION BENEFITS TO LISA RILEY

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

"That, for the purposes of sections 200B and 200E of the Corporations Act, Listing Rule 10.19 and for all other purposes, approval is given for the giving of benefits to Ms Lisa Riley (or her nominee) in connection with Ms Riley ceasing to hold a managerial or executive office in the Company or a related body corporate on the terms and conditions set out in the Explanatory Statement."

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

14. RESOLUTION 13 – APPROVAL OF AUDITOR

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

"That for the purposes of section 327B of the Corporations Act and for all other purposes, BDO Audit Pty Ltd, having been appointed and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company".

15. RESOLUTION 14 – PROPORTIONAL TAKEOVER PROVISIONS

To consider, and if thought fit pass, with or without amendment, the following resolution as a **special resolution**:

"That, for the purpose of section 136(2) and 648G of the Corporations Act and for all other purposes, approval is given for the Company to modify its existing Constitution by renewing Schedule 5 of the Company's Constitution for a period of three years from the date of approval of this Resolution."

Dated: 16 October 2024

By order of the Board

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) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. <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) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
<p>Resolution 9 – Approval to issue Options to Related Party – Lisa Riley</p>	<p>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 (Resolution 9 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 this Resolution and it is not cast on behalf of a Resolution 9 Excluded Party.</p> <p>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:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (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. <p>Provided the Chair is not a Resolution 9 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
<p>Resolution 10 – Approval to issue Options to Related Party – Lisa Riley</p>	<p>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 (Resolution 10 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 this Resolution and it is not cast on behalf of a Resolution 10 Excluded Party.</p> <p>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:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (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. <p>Provided the Chair is not a Resolution 10 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
<p>Resolution 11 – Approval to issue Performance Rights to Related Party – Lisa Riley</p>	<p>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 (Resolution 11 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 this Resolution and it is not cast on behalf of a Resolution 11 Excluded Party.</p> <p>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:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (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. <p>Provided the Chair is not a Resolution 11 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and

	(b) the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 12 - Approval of Grant of Potential Termination Benefits to Lisa Riley	In accordance with section 250BD and section 200E(2A) of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if: <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (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. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (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 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 4 – Ratification of prior issue of Tranche 1 Subscription Shares to Shenghe – Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely Shenghe Resources (Singapore) Pte. Ltd.) or an associate of that person or those persons.
Resolution 5 – Ratification of prior issue of Tranche 1 Subscription Shares to Shenghe – Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely Shenghe Resources (Singapore) Pte. Ltd.) or an associate of that person or those persons.
Resolution 6 – Approval to issue Options to Corporate Advisor	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) (namely Ashanti Capital) or an associate of that person (or those persons).
Resolution 7 – Approval to issue Tranche 2 Subscription Shares to Shenghe	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) (namely Shenghe Resources (Singapore) Pte. Ltd.) or an associate of that person (or those persons).
Resolution 9 – Approval to issue Options to Related Party – Lisa Riley	Lisa Riley (or their nominee(s)) and any other 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 or an associate of that person or those persons.
Resolution 10 – Approval to issue Options to Related Party – Lisa Riley	Lisa Riley (or their nominee(s)) and any other 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 or an associate of that person or those persons.
Resolution 11 – Approval to issue Performance Rights to Related Party – Lisa Riley	Lisa Riley (or their nominee(s)) and any other 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 or an associate of that person or those persons.
Resolution 12 - Approval of Grant of Potential Termination Benefits	Lisa Riley or any other officer of the Company or any of its child entities (as defined in the Listing Rules) who is entitled to participate in a termination benefit or an associate of that person or those person.

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.

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held on Thursday, 21 November 2024 at 10.00am (AEDT). The Meeting will be held at Level 5, 56 Pitt Street, Sydney NSW 2000.

QUESTIONS

Shareholders will have the opportunity to submit questions during the Meeting in respect to the formal items of business to be conducted at the Meeting.

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at on Tuesday, 19 November 2024 at 7:00pm (AEDT).

VOTING AT THE MEETING

The passing of each Resolution arising at this Meeting will be decided by a poll. Upon a poll, every person who is present in person or by proxy, corporate representative, or attorney, will have one vote for each Share held by that person.

Ordinary resolutions require the support of more than 50% of the votes cast. Special resolutions require the support of at least 75% of the votes cast.

Shareholders are strongly urged to vote by proxy prior to the Meeting and to appoint the Chair of the Meeting as their proxy. Shareholders can complete the proxy form to provide specific instructions on how their vote is to be exercised on each Resolution. The Chair of the Meeting MUST follow the Shareholder's instructions. Instructions for voting by proxy are set out on the Proxy Form.

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 (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61) 2 8823 3179.

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 2024 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 www.vitalmetals.com.

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. RESOLUTIONS 2 AND 3 – ELECTION OF DIRECTORS

3.1 General

Article 7.6(a) of the Constitution allows the Board to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only

where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to Article 7.6(b) of the Constitution, any Director who was appointed pursuant to Article 7.6(a) and then retires at the next general meeting of the Company, is eligible for re-election at that meeting.

3.2 Mr Michael Brook

On 8 May 2024, Mr Brook was appointed as a Non-Executive Director of the Company. Accordingly, Mr Brook will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks re-election pursuant to Resolution 2.

If elected, Mr Brook is considered to be an independent Director.

Qualifications and other material directorships

Mr Michael (Mike) Brook is a mining professional with diversified hands-on global mining industry experience underpinning a subsequent career path as a stockbroking resources analyst and then roles in Mining Investment. In these roles, Mr Brook has driven the technical and commercial review of projects and companies across multiple jurisdictions and commodities and from early exploration through to production.

Mr Brook was previously Chairman / Manager of three successful African closed end resources investment funds (African Lion: AFL1, AFL2 and AFL3). These funds were supported by major development bank and commercial bank shareholders, working to world best practices. Mr Brook has held numerous non-executive director positions on listed and unlisted junior resource company boards. He is currently a non-executive director of Geopacific Resources Limited (ASX:GPR), Principal – Mining for African Investments Limited (Private) and Chair of TuNya Resources (Private).

Mr Brook graduated with a BSc.(Hon.) Mining Geology from the University of Wales (Cardiff) and is a member of AusIMM.

3.3 Mr Zane Lewis

On 12 August 2024, Mr Lewis was appointed as a Non-Executive Director of the Company. Accordingly, Mr Lewis will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks re-election pursuant to Resolution 3.

If elected, Mr Lewis is considered to be an independent Director.

Qualifications and other material directorships

Mr Lewis, the founder of SmallCap Corporate, has more than 25 years corporate advisory experience with various ASX and AIM listed companies. He is also the Chairman of Kairos Minerals (ASX: KAI) and Odessa Minerals (ASX: ODE), and a non executive director of ASX-listed companies Lion Energy (ASX: LIO)

Mr Lewis was previously an Executive Director and Company Secretary at Vital Metals in 2019-2020, the period during which it acquired the Nechalacho Rare Earths Project in Canada.

3.4 Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Mr Brook and Mr Lewis.

Mr Brook and Mr Lewis have confirmed that they consider they will have sufficient time to fulfil their responsibilities as a Non-Executive Director of the Company and do not consider that any other commitment will interfere with their availability to perform their duties as a Non-Executive Directors of the Company.

3.5 Board recommendation

The Board has reviewed Mr Brook'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 Directors (other than Mr Brook) support the election of Mr Brook and recommends that Shareholders vote in favour of Resolution 2.

The Board has reviewed Mr Lewis' 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 Directors (other than Mr Lewis) support the election of Mr Lewis and recommends that Shareholders vote in favour of Resolution 3.

3.6 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, Mr Brook will be elected to the Board as an independent Director.

If Resolution 2 is not passed, Mr Brook will not continue in their role as an independent Director.

If Resolution 3 is passed, Mr Lewis will be elected to the Board as an independent Director.

If Resolution 3 is not passed, Mr Lewis will not continue in their role as an independent Director

4. BACKGROUND TO RESOLUTIONS 4 AND 5 - SHENGHE SUBSCRIPTION AGREEMENT

4.1 Shenghe Subscription

As announced on 27 October 2023, the Company entered into a subscription agreement with Shenghe Resources (Singapore) Pte. Ltd. (**Shenghe**), a wholly owned subsidiary of Shenghe Resources Holding Co Ltd (**Shenghe Resources**) (the **Shenghe Subscription Agreement**) pursuant to which the Company:

- (a) agreed to issue and Shenghe agreed to subscribe for 588,917,200 Shares at an issue price of \$0.01 per Share (**Tranche 1 Subscription Shares**) to raise approximately \$5.9 million (**Tranche 1 Subscription**); and
- (b) granted Shenghe an option to subscribe for up to a further 591,668,698 Shares (**Tranche 2 Subscription Shares**) at an issue price of \$0.015 per Share, exercisable at any time within 12 months following completion of the Tranche 1 Subscription (**Tranche 2 Option Period**) (**Tranche 2 Option**).

On 18 December 2023, the Company completed the allotment and issue of the Tranche 1 Subscription Shares, successfully raising \$5.9 million (before costs) to facilitate the reinstatement of its securities to Official Quotation on the ASX. The ratification of the issue of the Tranche 1 Subscription Shares is the subject of Resolutions 4 and 5 of this Notice.

As at the date of this Notice, as a result of completion of the Tranche 1 Subscription, Shenge holds a relevant interest in 9.99% of the issued share capital of the Company.

4.2 Tranche 2 Option

As set out above, in accordance with the terms of the Shenghe Subscription Agreement, the Company has granted Shenghe the Tranche 2 Option which allows Shenghe to make an election to subscribe for the Tranche 2 Subscription Shares at any time within 12 months following completion of the Tranche 1 Subscription (which occurred on 18 December 2023). The approval of the issue of the Tranche 2 Subscription Shares is the subject of Resolution 7 of this Notice which, if approved, will allow the Company to issue the Tranche 2 Subscription Shares at any time to the Tranche 2 Option expiry, being 18 December 2024.

The Tranche 2 Option is exercisable by Shenghe subject to the following conditions:

- (a) all requisite shareholder approvals under the ASX Listing Rules and the Corporations Act (if applicable) for the allotment and issue of the Tranche 2 Subscription Shares having been obtained;
- (b) no 'material adverse change' having occurred in the Company; and
- (c) any other requisite approvals, consents or waivers for the allotment and issue of the Tranche 2 Subscription Shares to Shenghe, including any regulatory or other governmental approvals, consents or waivers, having been obtained.

'Material adverse change' being an event or occurrence which results in an annualised diminution of Vital's net assets of greater than \$5 million.

In the event that Shenghe exercises the Tranche 2 Option and elects to subscribe for the maximum number of Tranche 2 Subscription Shares:

- (a) the Company will raise up to a further approximately \$5.9 million (before costs); and
- (b) the relevant interest of Shenghe in the issued share capital of the Company will increase from 9.99% to 18.2% (subject to no further issue of Shares in the Company following the issue of Shares the subject of Resolutions contained in this Notice, including on the exercise of Options on issue in or proposed to be issued by the Company).

4.3 Advisors

Ashanti Capital acted as financial advisor to the Company in relation to the Tranche 1 Subscription and associated transactions with Shenghe. Under the terms of a mandate letter between the Company and Ashanti (**Mandate Letter**), the Company agreed to:

- (a) pay Ashanti an advisory fee of an amount equal to 6% of the proceeds of the Tranche 1 Subscription; and
- (b) subject to Shareholder approval, issue Ashanti with 200 million Options (exercisable at \$0.015, on or before 3 years from the date of issue) (these being the subject of Resolution 6).

If Shenghe elects to subscribe for the Tranche 2 Subscription Shares, the Company will be required to pay Ashanti a cash fee of an amount equal to 6% of the proceeds of the Tranche 2 Subscription.

The Mandate Letter with Ashanti otherwise contains terms and conditions considered standard for a mandate of its type.

4.4 Use of funds

Following completion of the Tranche 1 Subscription, the Company was funded to deliver key milestones in 2024 and has utilised the proceeds of the Tranche 1 Subscription as follows:

- (a) to progress the development of the Company's Nechalacho Rare Earth Project, including Mineral Resource Update for Nechalacho and scoping study for Tardiff;
- (b) to repay existing debt, creditors and transaction costs at the time of the allotment and issue of the Tranche 1 Subscription Shares; and
- (c) for general working capital.

5. RESOLUTIONS 4 AND 5 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 SUBSCRIPTION SHARES TO SHENGHE

5.1 General

Resolutions 4 and 5 seek ratification of the issue of the Tranche 1 Subscription Shares as follows:

- (a) Resolution 4 – 58,302,225 Shares issued to Shenghe pursuant to the Tranche 1 Subscription under Listing Rule 7.1 on 14 December 2023; and
- (b) Resolution 5 - 530,614,975 Shares issued to Shenghe pursuant to the Tranche 1 Subscription under Listing Rule 7.1A on 14 December 2023.

The issue of the Tranche 1 Subscription Shares did not breach Listing Rule 7.1 at the time of the issue.

5.2 Listing Rules 7.1 and 7.1A

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 however, 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 obtained approval to increase its limit to 25% at the annual general meeting held on 16 November 2023.

The issue of the Tranche 1 Subscription Shares 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 25% limit in Listing Rules 7.1 and 7.1A, 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 Tranche 1 Subscription Shares.

5.3 Listing Rule 7.4

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 Tranche 1 Subscription Shares.

Resolutions 4 and 5 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Subscription Shares.

5.4 Technical information required by Listing Rule 14.1A

If Resolutions 4 and 5 are passed, the Tranche 1 Subscription Shares 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 Tranche 1 Subscription Shares.

If Resolutions 4 and 5 are not passed, the Tranche 1 Subscription Shares 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 the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Subscription Shares.

5.5 Technical information required for Resolutions 4 and 5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 4 and 5:

- (a) the Tranche 1 Subscription Shares were issued to Shenghe;
- (b) 588,917,200 Tranche 1 Placement Shares were issued on the following basis:
 - (i) 58,302,225 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 4); and
 - (ii) 530,614,975 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 5);
- (c) the Tranche 1 Subscription Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued on 14 December 2023;
- (e) the issue price was \$0.01 per Share under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Tranche 1 Subscription Shares;
- (f) the purpose of the issue was to raise \$5.9 million (before costs) which has been applied by the Company in the manner set out in Section 4.4; and
- (g) the Tranche 1 Subscription Shares were issued to Shenghe under the Shenghe Subscription Agreement. A summary of the material terms of the Shenghe Subscription Agreement are set out in Section 4.

6. RESOLUTION 6 – APPROVAL TO ISSUE OPTIONS TO CORPORATE ADVISOR

6.1 General

As set out in Section 4.4 above, the Company is proposing to issue 200,000,000 Options to Ashanti Capital (**Advisor Options**) in consideration for advisory services provided in relation to the Tranche 1 Subscription and associated transactions with Shenghe.

As summarised in Section 4.4 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 shares it had on issue at the start of that period.

The proposed issue of the Advisor Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

6.2 Technical information required by Listing Rule 14.1A

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Advisor Options. In addition, the issue of the Advisor Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Advisor Options. In the event that Resolution 6 is not passed, the Company will be required to pay a cash fee to Ashanti Capital for a sum to be negotiated.

Resolution 6 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Advisor Options.

6.3 Technical information required by Listing Rule 7.1

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

- (a) the Advisor Options will be issued to Ashanti Capital (or its nominees);
- (b) the maximum number of Advisor Options to be issued is 200,000,000. The terms and conditions of the Advisor Options are set out in Schedule 1;
- (c) the Advisor Options will be issued no later than 3 months 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 Advisor Options will occur on the same date;
- (d) the Advisor Options will be issued for \$0.0000001 per Advisor Option, in consideration for advisory services provided by Ashanti;
- (e) the purpose of the issue of the Advisor Options is to satisfy the Company's obligations under the Mandate Letter;
- (f) the Advisor Options are being issued to Ashanti Capital under the Mandate Letter, the material terms of which are set out in Section 4.3; and
- (g) the Advisor Options are not being issued under, or to fund, a reverse takeover.

7. RESOLUTION 7 – APPROVAL TO ISSUE TRANCHE 2 SUBSCRIPTION SHARES TO SHENGHE

7.1 General

Resolution 7 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the future issue of the Tranche 2 Subscription Shares to Shenghe under the Tranche 2 Option.

Further information in relation to the Shenghe Subscription Agreement and the Tranche 2 Option is detailed in Section 4 of this Notice.

7.2 Listing Rule 7.1

As summarised in Section 4.2 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 shares it had on issue at the start of that period.

The proposed issue of the Tranche 2 Subscription Shares does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the Company's 25% limit under Listing Rules 7.1 and 7.1A. It therefore requires the approval of Shareholders under Listing Rule 7.1.

The proposed issue of the Tranche 2 Subscription Shares falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

7.3 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, and subject to Shenghe exercising its right to subscribe for Shares under the Tranche 2 Option the Company will be able to proceed with the issue of the Tranche 2 Subscription Shares. In addition, the issue of the Tranche 2 Subscription Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 7 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Subscription Shares. In these circumstances, the Company will be unable to raise further funds that would otherwise have been raised through the issue of the Tranche 2 Subscription Shares to Shenghe.

7.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 7:

- (a) the Tranche 2 Subscription Shares will be issued to Shenghe;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that, at the proposed time of issue of the Tranche 2 Subscription Shares, Shenghe will control approximately 9.99% of the Company and will be issued approximately 8.2% of the Company at the time of issue, meaning on completion of the Tranche 2 Subscription Shenghe will acquire a relevant interest in 18.2% of the issued share capital of the Company;
- (c) the maximum number of Shares to be issued is 591,688,698. The Tranche 2 Subscription Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) subject to Shenghe exercising the Tranche 2 Option, the Tranche 2 Subscription Shares will be issued no later than 3 months 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 the issue of the Tranche 2 Subscription Shares will occur on the same date;
- (e) the issue price of the Tranche 2 Subscription Shares will be \$0.015 per Share. The Company will not receive any other consideration for the issue of the Tranche 2 Subscription Shares;
- (f) the purpose of the issue of the Tranche 2 Subscription Shares is to raise approximately \$8.9 million which will be applied toward:
 - (i) development of the Company's Nechalacho Rare Earth Project through:
 - (A) targeted infill drilling; and
 - (B) detailed flowsheet analysis, metallurgical department studies and hydrometallurgical work; and
 - (ii) general working capital;
- (g) the Tranche 2 Subscription Shares will be issued pursuant to the Shenghe Subscription Agreement which is summarised in Section 4.1 above; and
- (h) the Tranche 2 Subscription Shares are not being issued under, or to fund, a reverse takeover.

8. RESOLUTION 8 – APPROVAL OF 7.1A MANDATE

8.1 General

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 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 \$11,790,134 (based on the number of Shares on issue and the closing price of Shares on the ASX on 1 October 2024).

Resolution 8 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.

For note, a special resolution is a resolution requiring at least 75% of votes cast by shareholders present and eligible to vote at the meeting in favour of the resolution.

If Resolution 8 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 8 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.

8.2 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 8:

(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 8.2(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 the acquisition of new resources, assets and investments (including expenses associated with such acquisition), exploration and development of the Company's current assets, ongoing project administration and for general working capital.

(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 8 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 1 October 2024.

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		
			\$0.001	\$0.002	\$0.003
			50% decrease	Issue Price	50% increase
		Funds Raised			
Current	5,895,066,951 Shares	589,506,695 Shares	\$589,507	\$1,179,013	\$1,768,520
50% increase	8,842,600,427 Shares	884,260,043 Shares	\$884,260	\$1,768,520	\$2,652,780
100% increase	11,790,133,902 Shares	1,179,013,390 Shares	\$1,179,013	\$2,358,027	\$3,537,040

*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 5,895,066,951 Shares on issue comprising as at the date of this Notice.
2. The issue price set out above is the closing market price of the Shares on the ASX on 1 October 2024 (being \$0.002).
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.

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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 16 November 2023 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 20 November 2023, the Company issued 530,614,975 Shares pursuant to the Previous Approval (**Previous Issue**), which represents approximately 9.61% of the total diluted number of Equity Securities on issue in the Company on 20 November 2023, which was 5,520,551,259.

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: 14 December 2023 Date of Appendix 2A: 18 December 2023
Recipients	As announced on 27 October 2023, the Company entered into the Shenghe Subscription Agreement pursuant to which the Company agreed to issue and Shenghe agreed to subscribe for 588,917,200 Shares at an issue price of \$0.01 per Share to raise approximately \$5.9 million.
Number and Class of Equity Securities Issued	530,614,975 Shares ²

Issue Price and discount to Market Price¹ (if any)	\$0.01 per Share. The price of \$0.01 per Share was the same price as the last traded price of Vital Shares on 20 July 2023 (prior to voluntary suspension).
Total Cash Consideration and Use of Funds	<p>Amount raised: \$5.9m</p> <p>Amount spent: \$5.9m</p> <p>Use of funds:</p> <ul style="list-style-type: none"> to progress the development of the Company's Nechalacho Rare Earth Project, including Mineral Resource Update for Nechalacho and scoping study for Tardiff; to repay existing debt, creditors and transaction costs at the time of the allotment and issue of the Tranche 1 Subscription Shares; and for general working capital. <p>Amount remaining: Nil</p> <p>Proposed use of remaining funds: n/a.</p>

Notes:

- 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 announcement of the proposed issue of the relevant Equity Securities.
- Fully paid ordinary shares in the capital of the Company, ASX Code: VML (terms are set out in the Constitution).

8.3 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.

9. RESOLUTIONS 9 TO 11 – APPROVAL TO ISSUE OPTIONS AND PERFORMANCE RIGHTS TO RELATED PARTY – LISA RILEY

9.1 General

Resolutions 9 to 11 seek Shareholder approval for the purposes of Listing Rule 10.14 for the issue of Options and Performance Rights to Ms Lisa Riley (or her nominee) (**Incentive Securities**) under the Company's Employee Securities Incentive Plan (**Plan**), which was previously approved by Shareholders at the Company's annual general meeting on 16 November 2023.

The proposed issues of Incentive Securities to Ms Riley are summarised below:

RESOLUTION	INCENTIVE SECURITY	NUMBER	DESCRIPTION	TERMS
9	Sign On Options	60,000,000	Unquoted Options (exercisable at \$0.0045, expiring 4 years after the date of issue) (Sign On Options). The Sign On Options vest 12 months from the date of issue.	The full terms of the Sign On Options are set out in Schedule 2.
10	Incentive Options	60,000,000	Unquoted Options (exercisable at an exercise price equal to 145% of last closing price of Shares immediately prior to	The full terms of the Incentive Options are set out in Schedule 2.

RESOLUTION	INCENTIVE SECURITY	NUMBER	DESCRIPTION	TERMS
			the date of the Meeting, expiring 4 years after the date of issue) (Incentive Options).	
11	Performance Rights	46,200,000	Performance Rights convertible into Shares upon completion of a positive Pre-Feasibility Study on the Tardiff Deposit at the Company's Nechalacho Rare Earths Project within 2 years from the date of issue of the Performance Rights ('positive' meaning that PFS concludes that the Project has a positive Net Present Value).	The full terms of the Performance Rights are set out in Schedule 3.

9.2 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 constitutes giving a financial benefit and Ms Riley is a related party of the Company by virtue of being a Director.

The Directors (other than Ms Riley) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue, because the agreement to issue the Incentive Securities, reached as part of the remuneration package for Ms Riley, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

9.3 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 issue or agreement should be approved by its shareholders,

The issue of Incentive Securities to Ms Riley falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 9 to 11 seek the required Shareholder approval for the issue of the Incentive Securities under and for the purposes of Listing Rule 10.14.

9.4 Technical information required by Listing Rule 14.1A

if Resolutions 9 to 11 are passed, the Company will be able to proceed with the issue of the Incentive Securities to Ms Riley under the 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 Securities (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Securities will not use up any of the Company's 15% annual placement capacity.

If Resolutions 9 to 11 are not passed, the Company will not be able to proceed with the issue of the Incentive Securities to Ms Riley under the Plan and the Board may consider alternative forms of incentive-based remuneration for Ms Riley.

9.5 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to Resolutions 9 to 11:

- (a) the Incentive Securities will be issued to Lisa Riley (or her nominee) pursuant to Resolutions 9, 10 and 11, who falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director;
- (b) the maximum number of Incentive Securities to be issued to Lisa Riley (or her nominee) (being the nature of the financial benefit proposed to be given) is 60,000,000 Sign-on Options, 60,000,000 Incentive Options and 46,200,000 Performance Rights pursuant to Resolutions 9 to 11;
- (c) no Equity Securities have been issued to the Directors under the Plan following Shareholder approval at the Annual General Meeting on 16 November 2023;
- (d) the terms and conditions of the Incentive Options, Sign-On Options and Performance Rights are contained in Schedules 2 and 3;
- (e) the Incentive Securities are expected to be issued to Ms Riley (or their nominee) no later than one month after the Meeting. In any event, the Incentive Securities will be issued no later than 3 years 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 Incentive Securities will occur on the same date;
- (f) the issue price of the Incentive Options, Sign-On Options and Performance Rights will be nil. The Company will not receive any other consideration in respect of the issue of the Incentive Securities (other than in respect of funds received on exercise of the Incentive Options or Sign-On Options);
- (g) the material terms and conditions of the Plan are set out in Schedule 4;
- (h) no loan is being made to Ms Riley in connection with the acquisition of the Incentive Securities;
- (i) details of any Incentive Securities issued under the 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;
- (j) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Securities under the Plan after Resolutions 9 to 11 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14;
- (k) the purpose of the issue of the Incentive Securities is to provide a performance linked incentive component in the remuneration package for Ms Riley to align the interests of Ms Riley with those of Shareholders, to motivate and reward the performance of Ms Riley in her role as Director and to provide a cost effective way from the Company to remunerate Ms Riley, 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 Ms Riley;

- (l) the Incentive Securities are unquoted Options and Performance Rights. The Company has agreed to issue the Incentive Securities to Lisa Riley subject to Shareholder for the following reasons:
- (i) the Options and Performance Rights are unquoted; therefore, the issue of the Options and Performance Rights has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of Options and Performance Rights to Lisa Riley will align the interests of Ms Riley with those of Shareholders;
 - (iii) the issue of Options and 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 Lisa Riley; and
 - (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options and Performance Rights on the terms proposed;
- (m) the number of Options and Performance Rights to be issued Ms Riley has been determined based upon a consideration of:
- (i) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
 - (ii) the remuneration package of Ms Riley; and
 - (iii) incentives to attract and ensure continuity of service of Ms Riley who has 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 Incentive Securities upon the terms proposed;

- (n) the total remuneration package for Ms Riley for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Previous Financial Year Ended 30 June 2024	Current Financial Year Ended 30 June 2025
Lisa Riley	\$229,796 ¹	\$534,807 ²

Notes:

1. FY ended June 2024 includes personal exertion fees of \$149,796.
2. Ms Riley was appointed Managing Director on 15 July 2024. This amount includes a Base Salary of CAD360,000, a superannuation payment of \$nil and share-based payments of \$173,551. An exchange rate of CAD to AUD of 1:1.10 has been used.

- (o) the value of the Incentive Securities and the pricing methodology is set out in Schedule 5;
- (p) the Sign On Options are being issued pursuant to the terms of Ms Riley's executive employment contract, the material terms of which are summarised as follows:
- (i) Commencement and term: 15 July 2024 until terminated in accordance with its terms;
 - (ii) Termination and notice: Within 6 months of commencement, the Company may terminate without notice. Thereafter, the Company must provide 6 months' notice of termination. Ms Riley may terminate by giving 2 months' notice;
 - (iii) Base salary: CAD\$360,000 per annum and CAD\$60,000 per annum in share based payments, subject to Shareholder approval;

- (iv) STI / LTI: Short term incentive of up to 30% of the base salary and LTI of up to 70% of the base salary, awarded annually, at the Board's discretion; and
- (v) Incentive securities: The Company will seek Shareholder approval for the issuance of the Sign On Options to Ms Riley on the terms set out in this Notice,
- (q) The Incentive Options and Performance Rights are not being issued under an agreement;
- (r) the exercise price of the Incentive Options is defined by reference to the Company's Share price on the date of issue. As such, the exercise price is not known at the date of this Notice. The following table illustrates the potential exercise price of the Incentive Options across a range of assumed prices of the Company's Shares;

Share Price (\$)	0.001	0.002	0.005	0.01	0.03	0.05
Exercise price (\$)	0.0015	0.0029	0.0073	0.0145	0.0435	0.0725

If the Incentive Options were issued 1 October 2024, the exercise price would be \$0.0029 (based on the Company's Share price).

The exercise price of the Sign-On Options is \$0.0045.

- (s) 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 9 to 11; and
- (t) a voting exclusion statement and voting prohibition statement is included in Resolutions 9 to 11 of the Notice.

10. RESOLUTION 12 – APPROVAL OF GRANT OF POTENTIAL TERMINATION BENEFITS TO LISA RILEY

10.1 General

Resolution 12 seeks Shareholder approval in accordance with Part 2D.2 of the Corporations Act (including sections 200B and 200E of the Corporations Act) and Listing Rule 10.19 for the Company to give certain potential termination benefits to Ms Lisa Riley in connection with Ms Riley ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company or a related body corporate.

The potential termination benefits relate to the Incentive Securities to be issued to Ms Riley pursuant to Resolutions 9 to 11.

10.2 Part 2D.2 of the Corporations Act

The Corporations Act restricts the benefits which can be given to individuals who hold a managerial or executive office (as defined in the Corporations Act) in the Company or its related bodies corporate in connection with the retirement from their position in the Company or its related bodies corporate, unless an exception applies.

In accordance with section 200B of the Corporations Act, to give a benefit in connection with a relevant person's retirement from an office, the Company must, subject to various exceptions, obtain the approval of Shareholders in the manner set out in section 200E of the Corporations Act.

Provided shareholder approval is given, the value of the termination benefits may be disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the Corporations Act (i.e., the approved benefit will not count towards the statutory cap under the Corporations Act).

10.3 Listing Rule 10.19

Listing Rule 10.19 provides that without shareholder approval, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that may become

payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules (**5% Threshold**).

10.4 Termination benefits and their value

The Plan affords the Board certain discretion which relate to allowing certain Incentive Securities to remain on foot or waive vesting conditions notwithstanding that Ms Riley may cease to be an officer of, or ceasing to hold a managerial or executive office in, the Company or a related body corporate.

Accordingly, any exercise of discretion by the Board in relation to the treatment of the Incentive Securities to be issued pursuant to Resolutions 9 to 11 (subject to Shareholder approval) (**Potential Termination Benefit**) may also constitute a 'benefit' for the purposes of section 200B of the Corporations Act and Listing Rule 10.19

The value of the Potential Termination Benefit that the Board may give Ms Riley in respect of her Incentive Securities, in connection with their retirement cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's share price at the time of vesting and the number of Incentive Securities that will vest or remain on foot. The following additional factors may also affect the benefit's value:

- (a) the length of service and the status of the vesting conditions attaching to the relevant Incentive Securities at the time of the Director's employment or office ceasing; and
- (b) the number of unvested Incentive Securities that the Director holds at the time they cease employment or office.

Depending on the value of the Potential Termination Benefit, and the equity interests of the Company at the time such benefits may crystallize, it is uncertain if the value of the Potential Termination Benefit payable to Ms Riley would exceed the statutory cap under the Corporations Act or the 5% Threshold. Shareholder approval is therefore being sought under both Part 2D of the Corporations Act, and under Listing Rule 10.19 (in order to give the Company flexibility) in case the value of the Potential Termination Benefits exceeds the 5% Threshold at the relevant time.

10.5 Technical information required by Listing Rule 14.1A

If Resolution 12 is approved at the Meeting, Ms Riley will be entitled to be paid the termination benefits outlined above and the value may exceed the 5% Threshold.

If Resolution 12 is not approved at the Meeting, Ms Riley will not be entitled to be paid any termination benefits, unless they fall within an exception under the Corporations Act and do not breach the 5% Threshold.

The Chair intends to vote all available proxies in favour of Resolution 12.

A voting exclusion statement and voting prohibition statement is included in Resolution 12 of the Notice.

11. RESOLUTION 13 – APPOINTMENT OF AUDITOR

11.1 General

Having received ASIC consent, BDO Audit (WA) Pty Ltd (**BDO WA**) resigned as auditor effective 31 May 2024. After receiving a consent to act, the Board moved to appoint, with effect from 31 May 2024, BDO Audit Pty Ltd (**BDO Audit**) pursuant to section 327C(1) of the Corporations Act. The change of auditor arose as a result of BDO WA restructuring its audit practice whereby audits will be conducted by BDO Audit, an authorized audit company, rather than BDO WA.

Pursuant to section 327C(2) of the Corporations Act, an auditor appointed during the year under subsection 327C(1) holds office until the company's next AGM. Accordingly, the Company would like to put the appointment of the Company's auditor before the members of the Company to formalise the appointment.

The Company has received:

- (a) a nomination under section 328B of the Corporations Act from a member of the Company to appoint BDO Audit Pty Ltd as the Company's auditor; and
- (b) a consent to act as auditor of the Company duly executed by BDO Audit Pty Ltd.

A copy of the nomination is attached to this Notice at Annexure A.

If Resolution 13 is passed, BDO Audit Pty Ltd will continue in its position as the Company's auditor.

5.2 Director's recommendation

The Board recommends Shareholders vote in favour of this Resolution.

The Chair intends to vote all available proxies in favour of this Resolution.

12. RESOLUTION 14 – PROPORTIONAL TAKEOVER PROVISIONS

12.1 Background

Under the Corporations Act, a company is empowered to include in its constitution a provision to enable the company to refuse to register shares acquired under a proportional takeover bid unless a resolution is passed by shareholders in a general meeting approving the offer.

Under the Corporations Act and Schedule 5 of the Company's Constitution, the provisions must be renewed every three years or they will cease to have effect. The Directors consider that it is appropriate to renew approval for Schedule 5 of the Company's Constitution for a period of three years from the date of the Annual General Meeting (after which it will have to be renewed by a further special resolution of Shareholders each 3 years).

12.2 Proportional Takeover Bids

A proportional takeover bid is an off market takeover offer sent to all Shareholders but only in respect of a specified portion of each Shareholder's Shares in the Company (i.e. less than 100%). Accordingly, if a Shareholder accepts in full the offer under a proportional takeover bid, the Shareholder will dispose of the specified portion of the Shareholder's Shares and retain the balance of the Shares.

12.3 Effect of Proportional Takeover Provision

The effect of Schedule 5 of the Company's Constitution is that if a proportional takeover bid is made to Shareholders, the Directors are obliged to conduct a postal ballot or convene a meeting of Shareholders to be held at least 15 days before the offer closes. The purpose of the ballot or meeting is to vote on a resolution (**Approving Resolution**) to approve the proportional takeover bid. The Approving Resolution is passed if more than 50% of the votes cast on the resolution by Members (excluding the Bidder and their associates) are in favour of the resolution.

If no such resolution is voted on within the required timeframe, the resolution is deemed to have been approved. This, in effect, means that Shareholders as a body may only prohibit a proportional takeover bid by rejecting such a resolution.

If the resolution is approved or deemed to have been approved, transfers of Shares under the proportional takeover bid (provided they are in all other respects in order for registration) must be registered.

If the resolution is rejected, registration of any transfer of Shares resulting from that proportional takeover bid is prohibited and the offer is deemed by the Corporations Act to be withdrawn.

The proportional takeover provisions do not apply to a full takeover bid.

12.4 Reasons for Proposing this Resolution

The Directors consider that Shareholders should have the opportunity to vote on a proposed proportional takeover bid. A proportional takeover bid may result in effective control of the Company changing hands without Shareholders having the opportunity of disposing of all of their Shares. Shareholders could be at risk of passing control to the offeror without payment of an adequate control premium for all their Shares whilst leaving themselves as part of a minority interest in the Company.

If Resolution 14 is passed, Schedule 5 of the Constitution can prevent this occurring by giving Shareholders the opportunity to decide whether a proportional takeover bid is acceptable and should be permitted to proceed. The benefit of the provisions is that Shareholders are able to decide collectively whether the proportional offer is acceptable in principle and it may ensure that any partial offer is appropriately priced.

12.5 Presently Proposed Acquisitions

As at the date of this Explanatory Statement, no Director is aware of any proposal by any person by any person to acquire or increase the extent of a substantial interest in the Company.

12.6 Potential Advantages and Disadvantages of Proportional Takeover Provisions during the Period in which they have been in Effect

The Directors consider that the proportional takeover provisions had no advantages or disadvantages for them during the period in which they were in effect.

The Directors consider that Schedule 5 of the Company's Constitution has no potential advantages or potential disadvantages for the Directors as they remain free to make whatever recommendations they consider appropriate on any proportional takeover bid that may be made.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium;
- (c) the likelihood of a proportional takeover bid succeeding may be reduced; and
- (d) the provisions may be considered an additional restriction on the ability of individual Shareholders to deal freely in their Shares.

The Directors of the Company do not believe that the disadvantages mentioned above, nor any other possible disadvantages, as justification for not renewing the proportional takeover provisions for three years. In particular, Shareholders as a whole are able to decide whether or not a proportional takeover bid is successful.

12.7 Board Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 14. Each Director intends to vote all the Company's Shares controlled by him or her in favour of the Resolution.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 8.1.

AEDT means Australian Eastern Daylight Time.

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 Vital Metals Limited (ACN 112 032 596).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Participant has the meaning given in Schedule 4.

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.

Incentive Options means an option to acquire a Share with the terms and conditions set out in Schedule 2.

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.

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.

Performance Right means a right to acquire a Share with the terms and conditions set out in Schedule 3.

Plan means the Company's Employee Incentive Securities Plan.

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 2024.

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.

Sign-On Options means an option to acquire a Share with the terms and conditions set out in Schedule 2.

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

Shenghe means Shenghe Resources (Singapore) Pte. Ltd.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF ADVISOR 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 \$0.015 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date which is 3 years following the date of issue of the Options (**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 – TERMS AND CONDITIONS OF SIGN ON AND INCENTIVE OPTIONS

The following is a summary of the key terms and conditions of the Options:

(a) **Entitlement**

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

(b) **Plan**

The Options are issued under the Company's Employee Incentive Securities Plan.

(c) **Consideration**

Nil consideration is payable for the issue of the Options.

(d) **Exercise Price**

The amount payable upon exercise of each Option will be:

(i) **Sign On Options:** \$0.0045; and

(ii) **Incentive Options:** an exercise price equal to 145% of last closing price of Shares immediately prior to the date of the Meeting,

(each an **Exercise Price**).

(e) **Expiry Date**

Each Option will expire on the earlier to occur of:

(i) 5:00 pm (WST) on the date which is 4 years following the date of issue of the Options; and

(ii) the Options lapsing and being forfeited under the Plan,

(**Expiry Date**).

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(f) **Vesting Period**

The Options vest and are exercisable as follows:

(i) **Sign On Options:** on and from the date which is 12 months from the date of issue of the Options, provided that the holder has remained an Eligible Participant for that 12 month period; and

(ii) **Incentive Options:** at any time on and from the date of issue of the Options;

until the Expiry Date (each the respective **Exercise Period**).

(g) **Where holder becomes leaver**

If the holder of the Options ceases to be an Eligible Participant under the Plan, any:

(i) vested but unexercised Options must be exercised within 30 days of the cessation of the employment or service (as applicable); and

(ii) unvested Options will lapse on cessation of the employment or service.

Any unexercised but vested Options will lapse following expiry of the 30 day exercise period.

If cessation occurs during a closed or blackout period, the Exercise Period will be extended for a period of 10 days following the closed or blackout period.

(h) **Plan terms**

The Options are otherwise subject to the terms and conditions of the Plan which are summarised in Schedule 4.

SCHEDULE 3 – PERFORMANCE RIGHTS

The following is a summary of the key terms and conditions of the Performance Rights:

(a) **Plan**

The Performance Rights are issued under the Company's Employee Incentive Securities Plan.

(b) **Milestones**

The Performance Rights will vest upon completion of a positive Pre-Feasibility Study on the Tardiff Deposit at the Company's Nechalacho Rare Earths Project within 2 years from the date of issue of the Performance Rights ('positive' meaning that PFS concludes that the Project has a positive Net Present Value) (**Milestone**).

(c) **Notification to holder**

The Company shall notify the holder in writing when the relevant Milestone has been satisfied.

(d) **Conversion**

Upon vesting, each Performance Right will, at the election of the holder, convert into one Share.

(e) **Expiry Date**

Each Performance Right shall otherwise expire on or before the date that is two years from the date of issue (**Expiry Date**). If the relevant Milestone attached to the Performance Right has been achieved by the Expiry Date, all unconverted Performance Rights of the relevant tranche will automatically lapse at that time.

(f) **Consideration**

The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.

(g) **Share ranking**

All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other existing Shares.

(h) **Application to ASX**

The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.

(i) **Where holder becomes leaver**

If the holder of the Performance Rights ceases to be an Eligible Participant under the Plan, any:

(i) vested but unconverted Performance Rights must be converted within 30 days of the cessation of the employment or service (as applicable); and

(ii) unvested Performance Rights will lapse on cessation of the employment or service.

Any unconverted but vested Performance Rights will lapse following expiry of the 30 day conversion period.

If cessation occurs during a closed or blackout period, the Exercise Period will be extended for a period of 10 days following the closed or blackout period.

(j) **Plan terms**

The Performance Rights are otherwise subject to the terms and conditions of the Plan which are summarised in Schedule 4.

SCHEDULE 4 – TERMS AND CONDITIONS OF THE EMPLOYEE SECURITIES INCENTIVE PLAN

A summary of the material terms of the Company's Employee Securities Incentive Plan (**Plan**) is set out below.

Eligible Participant	Eligible Participant means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time.
Purpose	The purpose of the Plan is to: <ul style="list-style-type: none"> (a) assist in the reward, retention and motivation of Eligible Participants; (b) link the reward of Eligible Participants to Shareholder value creation; and (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Share, Option or Performance Right (Securities).
Maximum number of Convertible Securities	The Company will not make an invitation under the Plan which involves monetary consideration if the number of Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b).
Plan administration	The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.
Eligibility, invitation and application	<p>The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination of) the Securities provided under the Plan on such terms and conditions as the Board decides.</p> <p>On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.</p> <p>If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.</p>
Grant of Securities	The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

<p>Rights attaching to Convertible Securities</p>	<p>A Convertible Security represents a right to acquire one or more Plan Shares in accordance with the Plan (for example, an Option or a Performance Right).</p> <p>Prior to a Convertible Security being exercised, the holder:</p> <ul style="list-style-type: none"> (a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than as expressly set out in the Plan; (b) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company; (c) is not entitled to receive any dividends declared by the Company; and (d) is not entitled to participate in any new issue of Shares (see Adjustment of Convertible Securities section below).
<p>Restrictions on dealing with Convertible Securities</p>	<p>Convertible Securities issued under the Plan cannot be sold, assigned, transferred, have a security interest granted over or otherwise dealt with unless in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the holder) with the consent of the Board in which case the Convertible Securities may be exercisable on terms determined by the Board.</p> <p>A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.</p>
<p>Vesting of Convertible Securities</p>	<p>Any vesting conditions applicable to the Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that security will lapse.</p>
<p>Forfeiture of Convertible Securities</p>	<p>Convertible Securities will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> (a) in the case of unvested Convertible Securities only, where a Participant becomes a Leaver, acts fraudulently, dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group and the Board exercises its discretion to deem some or all of the Convertible Securities held by a Participant to have been forfeited; (b) where there is a failure to satisfy the vesting conditions in accordance with the Plan; (c) on the date the Participant becomes insolvent; or (d) on the Expiry Date, <p>subject to the discretion of the Board.</p>
<p>Listing of Convertible Securities</p>	<p>Convertible Securities granted under the Plan will not be quoted on the ASX or any other recognised exchange. The Board reserves the right in its absolute discretion to apply for quotation of Convertible Securities granted under the Plan on the ASX or any other recognised exchange.</p>
<p>Exercise of Convertible Securities and cashless exercise</p>	<p>To exercise a security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise (see next paragraph below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Securities (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.</p>

	<p>An invitation to apply for Convertible Securities may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.</p> <p>Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.</p> <p>Convertible Securities may not be exercised unless and until that security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.</p>
<p>Timing of issue of Shares and quotation of Shares on exercise</p>	<p>Within five business days after the issue of a valid notice of exercise by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.</p>
<p>Restriction periods and restrictions on transfer of Shares on exercise</p>	<p>If the invitation provides that any Shares issued upon the valid exercise of a Convertible Security are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.</p> <p>Additionally, Shares issued on exercise of the Convertible Securities are subject to the following restrictions:</p> <ul style="list-style-type: none"> (a) if the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Convertible Securities may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act; (b) all Shares issued on exercise of the Convertible Securities are subject to restrictions imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available; and (c) all Shares issued on exercise of the Convertible Securities are subject to the terms of the Company's Securities Trading Policy.
<p>Rights attaching to Shares on exercise</p>	<p>All Shares issued upon exercise of Convertible Securities will rank equally in all respects with the then Shares of the Company.</p>
<p>Change of control</p>	<p>If a change of control event occurs (being an event which results in any person (either alone or together with associates) owning more than 50% of the Company's issued capital), the Board may in its discretion determine the manner in which any or all of the holder's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the holder to participate in and/or benefit from any transaction arising from or in connection with the change of control event. The Board may specify in the Invitation how the Convertible Securities will be treated on a change of control event occurring, or the Board determining that such event is likely to occur, which may vary depending upon circumstances in which the Participant becomes a leaver and preserve some or all of the Board's discretion under this rule.</p>
<p>Participation in entitlements and bonus issues</p>	<p>Subject always to the rights under the following two paragraphs, Participants will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.</p>

Adjustment for bonus issue	If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the Participant is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.
Reorganisation	If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.
Buy-Back	Subject to applicable law, the Company may at any time buy-back Securities in accordance with the terms of the Plan.
Employee Share Trust	The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Convertible Securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Convertible Securities.
Amendment of Plan	<p>Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.</p> <p>No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.</p>
Plan duration	<p>The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.</p> <p>If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.</p>
Income Tax Assessment Act	The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.
Withholding	If the Company, a trustee or the Plan administrator is obliged, or reasonably believes that it may have an obligation to account for any tax, or any superannuation amounts (or equivalent social security contributions, if applicable) in respect of a Participant (Withholding Amount), then the Company, trustee or Plan administrator (as applicable) is entitled to withhold or be reimbursed by the Participant for the Withholding Amount payable or paid.

SCHEDULE 5 – VALUATION OF OPTIONS AND PERFORMANCE RIGHTS

The Options and Performance Rights to be issued to Ms Riley pursuant to Resolutions 9 to 11 have been valued by internal management.

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

ASSUMPTIONS	SIGN-ON OPTIONS	INCENTIVE OPTIONS	PERFORMANCE RIGHTS
Valuation date	1 October 2024	1 October 2024	1 October 2024
Market price of Shares	\$0.002	\$0.002	\$0.002
Exercise price	\$0.0045	145% above Share price ¹	\$Nil
Expiry date (length of time from issue)	4 years	4 years	2 years
Risk free interest rate	3.45%	3.45%	3.51%
Volatility	80%	80%	80%
Discount to valuation for 12 month vesting condition ("vesting discount")	25%	-	25%
Indicative value per Related Party Option (without vesting discount)	\$0.0009	\$0.0011	\$0.0020
Indicative value per Related Party Option (with vesting discount)	\$0.0006	\$0.0011	\$0.0015
Total Value of Options (without vesting discount)	\$51,606	\$63,136	\$92,400
Total Value of Options (with vesting discount)	\$38,704	\$63,136	\$69,300

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.

¹ The value of the Incentive Options will have an indicative value based on a range of assumed Share prices (for the Company) as follows:

SHARE PRICE	OPTION EXERCISE PRICE 145% OF SHARE PRICE	VALUE PER OPTION INCENTIVE OPTIONS (NO VESTING DISCOUNT)
\$0.001	\$0.0015	\$0.0005
\$0.002	\$0.0029	\$0.0011
\$0.005	\$0.0073	\$0.0026
\$0.01	\$0.0145	\$0.0053
\$0.03	\$0.0435	\$0.0158
\$0.05	\$0.0725	\$0.0264

The Share price of the Company as at 1 October 2024 was \$0.002. This Share price has been used to calculate the value estimate.

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ANNEXURE A – NOMINATION OF AUDITOR LETTER

30 September 2024

Board of Directors
Vital Metals Limited
Level 10
27-31 Macquarie Place
SYDNEY NSW 2000

I, Jimbaran Investments Pty Ltd as trustee for the Jimbaran Trust, being a member of Vital Metals Limited (**Company**), nominate BDO Audit Pty Ltd in accordance with section 328B(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**) to fill the office of auditor of the Company.

Please distribute copies of this notice of this nomination as required by section 328B(3) of the *Corporations Act*.

Signed and dated 30 September 2024:



Louisa Martino
Director

Your proxy voting instruction must be received by **10.00am (AEDT) on Tuesday, 19 November 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders 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 Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automicgroup.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au>

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1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

