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**EUROPEAN METALS HOLDINGS LIMITED**

ARBN 154 618 989

**NOTICE OF ANNUAL GENERAL MEETING**

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**DATE:** 25 November 2022

**TIME:** 4.00 pm AWST (8:00 am GMT)

**PLACE:** The Celtic Club  
48 Ord Street  
WEST PERTH WA 6005

*The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor, or other professional adviser prior to voting.*

***Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 6245 2050***

**Shareholders are urged to attend or vote by lodging the Proxy Form or Voting Instruction Form attached to the Notice**

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## EUROPEAN METALS HOLDINGS LIMITED

ARBN 154 618 989

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### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting of Shareholders of European Metals Holdings Limited will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Friday, 25 November 2022 at 4:00 pm (AWST) (8:00 am GMT) (**Meeting**).

Shareholders will be able to participate in person at the Meeting. For more information on Shareholder questions and how to vote, refer to the Notes section in the Notice. Should you have any further questions in relation to this Notice of Meeting, please email [info@europeanmet.com](mailto:info@europeanmet.com).

As a result of the uncertainty and potential health risks created by the COVID-19 pandemic, it may become necessary or appropriate to make alternative arrangements for the holding or conducting the Meeting (for example in the case of a lockdown, where the meeting format could be changed to being wholly-virtual) and if so required, the Company will make further information available through the ASX website at <https://www.asx.com.au/asx/statistics/announcements.do> (ASX code: EMH) and on its website at [www.europeanmet.com/announcements/](http://www.europeanmet.com/announcements/).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum, the Proxy Form, and the Voting Instruction Form are part of the Notice.

Terms and abbreviations used in the Notice are defined in Schedule 1.

### AGENDA

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#### 1. Resolution 1 – Re-election of Director – Mr Richard Pavlik

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

*“That, for the purposes of Listing Rule 14.4 and Article 8.5 of the Company’s Articles of Association and for all other purposes, Mr Richard Pavlik retires, and being eligible, is re-elected as a Director on the terms and conditions set out in the Explanatory Memorandum.”*

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#### 2. Resolution 2 – Ratification of Prior Issue of Placement CDIs

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

*“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,285,000 CDIs to sophisticated investors on the terms and conditions in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or any associates of those persons.

### 3. Resolution 3 – Ratification of Prior Issue of Options to Luthardt Investment GmbH

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

*"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,000,000 Options to Luthardt Investment GmbH on the terms and conditions in the Explanatory Memorandum."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Luthardt Investment GmbH or any associates of those persons.

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### 4. Resolution 4 – Approval of 10% Placement Facility

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

*"That, in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up 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 on the terms and conditions in the Explanatory Memorandum."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of any person who is expected to participate in the 10% Placement Facility; or a person who will obtain a material benefit due to the proposed issue (except a benefit solely in the capacity of a holder of ordinary securities) if Resolution 4 is passed; or an Associate of that person or those persons.

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### 5. Resolution 5(a) – Approval of the amendment of the Memorandum and Articles of Association

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

*"That, in accordance with the Memorandum and Articles of Association of the Company and for all other purposes, subject to the registration with the BVI Registrar of Corporate Affairs, approval is given for the company to amend and restate the Memorandum and Articles of Association in the form as signed by the Chairman of the Meeting for identification purposes, in lieu of the existing Memorandum and Articles of Association of the Company."*

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### 6. Resolution 5(b) – Authorisation of the Company's registered agent to file the amended and restated Memorandum and Articles of Association

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

*"That, the Company's registered agent, Rawlinson & Hunter Limited, be and is hereby authorised and instructed to file the amended and restated Memorandum and Articles of Association with the Registrar of Corporate Affairs in the British Virgin Islands."*

Dated: 9 November 2022

By Order of the Board



David Koch  
**COMPANY SECRETARY**

**Voting exclusions:**

Each Voting Exclusion Statement that applies to a Resolution as noted in the Agenda, does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the 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 direction given by the beneficiary to the holder to vote in that way.

# EUROPEAN METALS HOLDINGS LIMITED

ARBN 154 618 989

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## EXPLANATORY MEMORANDUM

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### 1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Friday, 25 November 2022 at 4.00 pm (AWST) (8.00 am GMT).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Resolution 1 – Re-election of Director
Section 4	Resolution 2 – Ratification of prior issue of Placement CDIs
Section 5	Resolution 3 – Ratification of prior issue of Options to Luthardt Investment GmbH
Section 6	Resolution 4 – Approval of 10% Placement Facility
Section 7	Resolutions 5(a) and 5(b) – Approval of the amendment of the Memorandum and Articles of Association
Schedule 1	Definitions
Schedule 2	Terms and Conditions of Luthardt Investment GmbH Options

### 2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

#### 2.1 Shareholder attendance, Voting and Proxy Appointment

The Directors have determined pursuant to Article 7.5 of the Articles of Association that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 23 November 2022 at 2:00 am (AWST) (6.00 pm GMT on 22 November 2022).

If you are a Shareholder, to vote in person, attend the Annual General Meeting at the time, date and place set out above.

If you are a Shareholder, to vote by proxy, please complete and sign the enclosed Proxy Form and return by one of the methods and by 4.00 pm AWST (8.00 am GMT) on 23 November 2022.

Proxy Forms received later than the specified time will be invalid.

Shareholders who are unable to attend the Meeting or wish to submit questions prior to the Meeting may submit written questions by emailing [info@europeanmet.com](mailto:info@europeanmet.com). In order for questions to be appropriately considered, it is recommended that questions be received by 11.30 am (AWST) on 21 November 2022.

## 2.2 CDI Holders Attendance, Voting and Proxy Appointment

CDIs, representing beneficial interests in the Shares, have been issued to allow trading on the electronic transfer and settlement system operated by the ASX as the laws of the British Virgin Islands, the place of incorporation of the Company, do not recognise electronic transfer of legal title to Shares.

A CDI holder is not a Shareholder and, under the laws of the British Virgin Islands, is not entitled to attend the Annual General Meeting unless as a proxy.

Each CDI holder has the right to:

- (a) direct CHESS Depository Nominees Pty Ltd (**CDN**), the legal holder of the Shares to which the CDIs relate, how to vote the underlying Shares in respect of their CDIs in respect of the business of the Annual General Meeting; or
- (b) instruct CDN to appoint the CDI holder or a person nominated by the CDI holder the CDI holder's proxy for the purposes of attending and voting at the Annual General Meeting.

If you are a CDI holder and you wish to direct or instruct CDN in the manner contemplated above, please read, complete, and sign the enclosed CDI Voting Instruction Form and return by one of the methods and by the deadline set out on the CDI Voting Instruction Form.

CDI Voting Instruction Forms received later than the specified time will be invalid.

## 2.3 DI Holders Attendance, Voting and Proxy Appointment

DIs, representing beneficial interests in the Shares, have been issued as the laws of the British Virgin Islands, the place of incorporation of the Company, do not recognise electronic transfer of legal title to Shares and securities of foreign issuers cannot be directly registered, transferred, or settled through CREST (which is the electronic settlement system in the UK). DI Holders are invited to attend the Annual General Meeting but are not entitled to vote at the Annual General Meeting.

In order to have votes cast at the Annual General Meeting on their behalf, DI holders must complete, sign, and return the DI Voting Instruction Form forwarded to them along with the Notice to the Company's agent, Computershare UK, by 22 November 2022 at 4.00 pm AWST (8.00 am GMT). DI Voting Instruction Forms received later than the specified time will be invalid.

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

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

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company's agent (3RA50) no later than 22 November 2022 at 4.00 pm AWST (8.00 am GMT). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST. DI Holders in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the DI Holder concerned to take (or, if the DI Holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by any particular time.

In this connection, DI Holders and, where applicable, their CREST sponsors or voting service providers are referred to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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### **3. Resolution 1 – Re-election of Director**

#### **3.1 General**

Listing Rule 14.4 provides that no Director shall hold office past the third annual general meeting following their appointment or 3 years, whichever is longer.

In addition, Article 8.5 of the Articles of Association sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

#### **3.2 Mr Richard Pavlik**

Richard Pavlik was appointed as a Director on 27 June 2017 and was last elected by Shareholders at the 2020 annual general meeting held on 17 December 2020. In accordance with Listing Rule 14.4 and the Articles of Association, Mr Pavlik will retire and being eligible, seeks re-election from Shareholders.

Resolution 1 is an ordinary resolution. If Resolution 1 is passed, Mr Pavlik will be re-elected as a Director. At the time of this Annual General Meeting, Mr Pavlik's term of office will be approximately 5.4 years. Mr Pavlik is an Executive Director. If Resolution 1 is not passed, Mr Pavlik will not be re-elected as a Director.

The Board (excluding Mr Pavlik) recommends that Shareholders vote in favour of Resolution 1.

### Qualifications and other material directorships

Mr Pavlik is currently the Chief Advisor to the CEO of Geomet s.r.o, and is a highly experienced Czech mining executive.

Mr Pavlik holds a Masters Degree in Mining Engineer from the Technical University of Ostrava in Czech Republic. He is the former Chief Project Manager and Advisor to the Chief Executive Officer at OKD. OKD has been a major coal producer in the Czech Republic. He has almost 32 years of relevant industry experience in the Czech Republic.

Mr Pavlik also has experience as a Project Analyst at Normandy Capital in Sydney as part of a postgraduate program from Swinburne University. Mr Pavlik has held previous senior positions within OKD and New World Resources as Chief Engineer, and as Head of Surveying and Geology. He has also served as the Head of the Supervisory Board of NWR Karbonia, a Polish subsidiary of New World Resources (UK) Limited. He has an intimate knowledge of mining in the Czech Republic.

Mr Pavlik is a member of the Environment, Social and Governance Committee and Nomination Committee.

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## **4. Resolution 2 – Ratification of Prior Issue of Placement CDIs**

### **4.1 General**

On 19 January 2022, the Company announced that it had received binding commitments for a placement to raise a total of A\$14.4 million (before costs) (**Placement**) by the issue of a total of 10,285,000 CDIs at \$1.40 each (**Placement CDIs**) to institutional clients (**Placement Participants**).

On 28 January 2022, the Company issued 10,285,000 Placement CDIs to the Placement Participants using the Company's placement capacity under Listing Rule 7.1.

Resolution 2 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 2.

### **4.2 ASX Listing Rules 7.1 and 7.4**

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.

The issue of the Placement CDIs does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the issue date.

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.

In the current environment, the Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 2 seeks Shareholder approval to the issue of the Placement CDIs under and for the purposes of Listing Rule 7.4.

#### **4.3 Effect of the Resolution**

If Resolution 2 is passed, the issue of the Placement CDIs will no longer use up a portion of the Company's placement capacity under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 2 is not passed, the issue of the Placement CDIs will continue to use up a portion of the Company's placement capacity under Listing Rule 7.1 until that date that is 12 months from their date of issue, effectively decreasing the number of Equity Securities it can issue without Shareholder approval until that time.

Failure to ratify the issue of the Funding Facility CDIs would result in the Company being unable to maximise further business opportunities by making a further issue of equity securities within the next 12-month period without first undertaking the administrative burden and delay and cost of obtaining Shareholder approval. Any delay associated with obtaining Shareholder approval means that the Company cannot act in an opportunistic manner and potentially puts any such raising at risk through the approval period.

#### **4.4 Specific information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Placement CDIs:

- (a) the Placement CDIs were issued to the Placement Participants (or their respective nominees), who were sophisticated and professional investors introduced to the Company by Euroz Hartleys Limited. A total of 9,285,000 Placement CDIs were issued to Ellerston Capital Limited who became a substantial shareholder with a 5.0% voting interest in the Company, and a total of 1,000,000 Placement CDIs were issued to other placement participants none of whom is considered to be a 'material investor' for the purposes of section 7.4 of ASX Guidance Note 21 (being a related party, member of the key management personnel, substantial holder or adviser to the Company or an associate of any of those persons);
- (b) a total of 10,285,000 Placement CDIs were issued pursuant to the Company's placement capacity under Listing Rule 7.1;
- (c) the Placement CDIs issued represent beneficial ownership in fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing CDIs representing the Company's Shares on issue;
- (d) the Placement CDIs were issued on 28 January 2022;
- (e) the Placement CDIs were issued at an issue price of \$1.40 each;
- (f) the proceeds of the Placement CDIs were used to continue to progress the further development of the Cinovec Lithium Project, as well as for costs of the Placement and general working capital; and

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(g) the Placement CDIs were not issued pursuant to an agreement.

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## 5. Resolution 3 – Ratification of Prior Issue of Options to Luthardt Investment GmbH

### 5.1 General

On 28 October 2022, the Company announced the issue of 2,000,000 unquoted options each with an exercise price of \$0.80 cents and expiring on 31 December 2023 ('Luthardt Options') to Luthardt Investment GmbH ('Luthardt Investment') per the terms and conditions as outlined in the announcement and as set out in Schedule 2.

Resolution 3 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 3.

### 5.2 Listing Rules 7.1 and 7.4

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.

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

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.

In the current environment, the Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 3 seeks Shareholder approval to the issue of the Luthardt Options under and for the purposes of Listing Rule 7.4.

### 5.3 Effect of the Resolution

If Resolution 3 is passed, the issue of the Luthardt Options will no longer use up a portion of the Company's placement capacity under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 3 is not passed, the issue of the Luthardt Options will continue to use up a portion of the Company's placement capacity under Listing Rule 7.1 until that date that is 12 months from their date of issue, effectively decreasing the number of Equity Securities it can issue without Shareholder approval until that time.

## 5.4 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Luthardt Options:

- (a) the Luthardt Options were issued to Luthardt Investment who is not considered to be a 'material investor' for the purposes of section 7.4 of ASX Guidance Note 21;
- (b) a total of 2,000,000 Luthardt Options were issued pursuant to the Company's placement capacity under Listing Rule 7.1;
- (c) the Luthardt Options are exercisable at \$0.80 each on or before 31 December 2023 and were otherwise issued on the terms and conditions set out in Schedule 2;
- (d) the Luthardt Options were issued on 28 October 2022;
- (e) the Luthardt Options were issued for nil cash consideration, in consideration for consulting services provided under the terms and conditions set out in Schedule 2. Accordingly, no funds were raised from the issue.

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## 6. Resolution 4 – Approval of 10% Placement Facility

### 6.1 General

Broadly speaking, and subject to a number of exceptions, ASX 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.

Under ASX 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%.

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

Resolution 4 seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% capacity provided for in ASX Listing Rule 7.1A to issue Equity Securities without Shareholder approval (**10% Placement Facility**).

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in ASX Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in ASX 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.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholder's present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

## 6.2 Additional Information

### Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that, eligible entities who have obtained shareholder approval at an annual general meeting may issue or agree to issue during a period of up to 12 months after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

- A** is the number of fully paid ordinary securities on issue at the commencement of the relevant period,
- plus, the number of fully paid ordinary securities issued in the relevant period under an exemption in rule 7.2 other than exception 9, 16 or 17,
  - plus, the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
    - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
    - the issue of, or agreement of issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
  - plus, the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
    - the agreement was entered into before the commencement of the relevant period; or
    - the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
  - plus, the number of any other fully paid ordinary securities issued in the relevant period with approval under rule 7.1 or rule 7.4,
  - plus, the number of partly paid ordinary securities that became fully paid in the relevant period,
  - less the number of fully paid ordinary securities cancelled in the relevant period.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of ordinary securities under Listing Rule 7.4.

### 6.3 ASX Listing Rule 7.1A

(a) **Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) **Equity Securities**

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

The Company, as at the date of the Notice, has on issue one quoted class of Equity Securities, being CDIs.

### 6.4 Specific information required by ASX Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

(a) **Statement of the period for which the approval will be valid (ASX Listing Rule 7.3A.1)**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of the approval by the holders of the Company's ordinary securities of a transaction under Listing Rule 11.1.2 (a significant change to the nature of scale of activities) or 11.2 (disposal of main undertaking).

**(10% Placement Period).**

The Company will only issue and allot the Equity Securities pursuant to the 10% Placement Facility during the 10% Placement Period.

(b) **Minimum issue price (ASX Listing Rule 7.1A.2)**

Any Equity Securities issued under Listing Rule 7.1A.2 must be in an existing quoted class of the Company's Equity Securities and issued for cash consideration which is not less than 75% of the volume weighted average price for 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 Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(c) **Purposes for which the funds raised may be used (ASX Listing Rule 7.3A.3)**

Equity Securities issued under Listing Rule 7.1A.2 can only be issued for cash consideration. The purpose of seeking the 10% Placement Facility is to give the Company the flexibility to issue Equity Securities in addition to the 15% placement capacity afforded to the Company under Listing Rule 7.1, should the Board identify a need and opportunity to do so.

The Company intends to use funds raised for the acquisition of new assets or investments (including expenses associated with such acquisition), activities associated with its current business, including continued exploration, and scoping and feasibility study expenditure on the Company's current assets, repayment of debt and/or general working capital.

(d) **Risk of economic and voting dilution (ASX Listing Rule 7.3A.4)**

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below tables (in the case of Options, only if the Options are converted into CDIs). There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue than on the date of the approval under Listing Rule 7.1A; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

The table below shows:

- (i) the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 as at 31 October 2022;
- (ii) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue as at 31 October 2022; and
- (iii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price as at 31 October 2022.

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Variable 'A' in Listing Rule 7.1A.2*		Dilution		
		\$0.3900 50% decrease in Issue Price	\$0.7800 Issue Price	\$1.5600 50% increase in Issue Price
Current Variable A 186,042,485 CDIs	10% Voting Dilution	18,604,249		
	Funds raised	\$7,255,657	\$14,511,314	\$29,022,628
50% increase in current Variable A 279,063,728 CDIs	10% Voting Dilution	27,906,373		
	Funds raised	\$10,883,485	\$21,766,971	\$43,533,941
100% increase in current Variable A 372,084,970 CDIs	10% Voting Dilution	37,208,497		
	Funds raised	\$14,511,314	\$29,022,628	\$58,045,255

\* The number of CDIs on issue (Variable A in the formula) could increase as a result of the issue of CDIs 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 has been prepared on the following assumptions:

1. Shareholders approve Resolution 3.
2. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
3. No convertible Securities (including any issued under the 10% Placement Facility) are exercised or converted into CDIs before the date of the issue of the Equity Securities.
4. 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%.
5. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
6. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
7. The issue of Equity Securities under the 10% Placement Facility consists only of CDIs. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into CDIs for the purpose of calculating the voting dilution effect on existing Shareholders.
8. The issue price is \$0.78 being the closing price of Shares on the ASX on 31 October 2022.
9. Variable A is equal to the number of existing CDIs on issue as at 31 October 2022, being 186,042,485.

(e) **Allocation policy (ASX Listing Rule 7.3A.5)**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of

Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial, and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

(f) **Issues in the past 12 months under ASX Listing Rule 7.1A.2**

The Company has not previously issued or agreed to issue Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting.

(g) **Voting exclusion statement**

A voting exclusion statement is not included in the Notice as the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 at the time of dispatching the Notice.

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## **7. Resolution 5(a) – Approval of the amendment of the Memorandum and Articles of Association**

### **Resolution 5(b) – Authorisation of the Company's registered agent to file the amended and restated Memorandum and Articles of Association**

#### **7.1 General**

A company may modify or repeal its memorandum and articles of association (the "Memorandum and Articles") or a provision of them by a resolution of shareholders.

The Memorandum and Articles, being the rules by which the Company is governed, should continue to evolve in line with the regulatory environment in which the Company operates. Consequently Resolution 5(a) is required to include the additional provisions appropriate for a company listed on ASX and AIM.

The Memorandum and Articles will be amended to ensure they reflect the current provisions of the BVI Companies Act, ASX Listing Rules, AIM Rules and other legal and regulatory provisions by which the Company is (and will be) subject to. The amended Memorandum and Articles will contain the necessary provisions to ensure that the Company is compliant with ASX listing rules.

Per Resolution 5(b) the adoption of the amended Memorandum and Articles is conditional on the registration of the amended Memorandum and Articles with the BVI Registrar of Corporate Affairs

in accordance with Section 13 of the BVI Companies Act, at which time they will be deemed legally effective and operational.

The amended Memorandum and Articles are broadly consistent with the provisions of the existing Memorandum and Articles and many of the proposed changes are administrative or minor in nature. The Directors believe they are not material, nor will they have a significant impact on Shareholders. A summary of the main proposed changes is set out below.

## **7.2 Proposed amendments to the Memorandum and Articles of Association**

### **a) Notice (article 7.6)**

The *Corporations Amendment (Meetings and Documents) Act 2022* (Cth) permits a notice of meeting and any other information provided with that notice to be communicated using technology. For example, an entity may send its shareholders an email setting out or attaching a notice of meeting and other material relating to that notice of meeting (for example, a proxy form). Alternatively, an entity may send an email to its shareholders with a link to where the notice and other materials can be viewed or downloaded. In circumstances where the entity does not have the email address for certain shareholders, the entity may send a letter or postcard setting out a URL for viewing or downloading the notice and other materials.

Shareholders may elect to receive documents in a physical form or electronically and the Company must provide that member with the documents in the form based on the shareholder's election (unless it falls under ASIC's emergency power to grant relief).

The amended Articles makes it clear at article 7.6, that unless the applicable law otherwise provides, a notice of meeting and proxy form do not need to be provided physically in writing, and that the Company may provide a notice of meeting and proxy form to Shareholders electronically.

### **b) Virtual Meetings and Meeting at more than one place (article 7.3 and 7.5)**

The amended Articles includes a provision at article 7.3 to expressly permit the Company to hold 'hybrid meetings' – that being meetings which are held partly in person and partly by virtual technology. The amended Articles allows Shareholders to elect how they wish to attend hybrid meetings.

The recent updates to the Corporations Act, (by way of the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth)), provides that a company may use technology to allow Shareholders to attend general meetings virtually if a wholly virtual meeting is expressly permitted in the company's constitution.

The amended Articles includes a provision which allows a meeting of Shareholders to be held by virtual means only, which provides greater flexibility for the Company and Shareholders. Any technology used at a general meeting must give Shareholders as a whole a reasonable opportunity to participate in the meeting.

### **c) Obligations to notify home branch of Stock Exchange**

The amended Articles include additional obligations on the Company to notify the ASX, which reflect requirements under the Listing Rules and include obligations to notify the ASX of:

- i) upcoming meetings, including nominations received from Directors (as required by Listing Rule 3.13.1) (see article 7.9);
- ii) results of meetings, following that meeting being held (also required by LR 3.13.1) (see article 7.10); and
- iii) of any material contracts involving Directors/Directors interests, noting this is an obligation on the Director rather than the Company (see article 14).

**d) Director's Notices of Nomination**

The amended Articles includes a provision at article 8.3 where any person intending to propose their nomination at a general meeting must have, at least 30 Business Days before the relevant general meeting, provided a notice to the Company.

To assist Shareholders, a mark-up version of the Memorandum and Articles of Association showing the proposed amendments will be available on the Company's website at: <https://www.europeanmet.com/wp-content/uploads/European-Metals-Holdings-Ltd-MA-Update-November-2022-Draft.pdf>

Shareholders are invited to contact the Company if they have any queries or concerns.

**7.3 Board recommendation**

The Board unanimously recommend that Shareholders approve the adoption of the amended and restated Memorandum and Articles of Association and vote in favour of this Resolution.

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## Schedule 1- Definitions

In the Notice, words importing the singular include the plural and vice versa.

**10% Placement Facility** has the meaning given in Section 5.1.

**\$** or **A\$** means Australian Dollars.

**£** or **GBP** means Great British Pounds and pence means one hundredth of a £.

**Annual General Meeting** means a duly convened annual general meeting (or any adjournment thereof) of the Shareholders at which the Resolutions will be proposed to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia at 4.00pm (AWST) on 25 November 2022.

**Article** means an article of the Articles of Association.

**Articles of Association** means the articles of association of the Company as at the date of the Meeting.

**ASX** means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**AWST** means Australian Western Standard Time, being the time in Perth, Western Australia.

**Board** means the board of Directors.

**CDIs** means a CHESS Depository Interest representing beneficial ownership in a Share.

**CDI Voting Instruction Form** means the CDI voting instruction form for use in connection with the Annual General Meeting which accompanies this document.

**Chair** means the person appointed to chair the Meeting convened by the Notice.

**Company** means European Metals Holdings Limited (ARBN 154 618 989).

**Company Secretary** means the company secretary of the Company, Mr David Koch.

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

**CREST Voting Instruction** has the meaning as defined in Section 2.3 of the Explanatory Memorandum.

**Director** means a director of the Company.

**DI Voting Instruction Form** means the depository interest voting instruction form for use in connection with the Annual General Meeting which accompanies this document.

**Equity Security** has the same meaning as in the Listing Rules and **Equity Securities** has the corresponding meaning.

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

**GMT** means Greenwich Mean Time.

**Listing Rules** means the listing rules of ASX.

**Meeting** has the meaning given in the introductory paragraph of the Notice.

**Notice** means this notice of Annual General Meeting.

**Option** means an option to acquire a Share.

**Proxy Form** means the proxy form for use in connection with the Annual General Meeting which accompanies this document.

**Resolution** means a resolution referred to in the Notice.

**Schedule** means a schedule to the Notice.

**Section** means a section of the Explanatory Memorandum.

**Securities** means any Equity Securities of the Company (including Shares, CDIs, Options, performance rights and/or performance shares).

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

**Shareholder** means a shareholder of the Company.

**Trading day** has the meaning given in the Listing Rules.

**Voting Instruction Form** means the CDI Voting Instruction Form and /or the DI Voting Instruction Form as applicable.

**VWAP** means volume weighted average market price.

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## Schedule 1 – Terms and Conditions of Luthardt Investment GmbH Options

**(a) Entitlement**

Each Option entitles the holder to subscribe for one CDI in the Company upon exercise of the Option.

**(b) Exercise Price and Expiry Date**

Subject to paragraph (i), each Option is exercisable upon the payment of 80 cents (**Exercise Price**) on or before 5.00pm WST on 31 December 2023 (**Expiry Date**).

**(c) Vesting Conditions**

The options will vest upon the successful completion of the following vesting criteria:

**Tranche 1:** on or before 31 December 2022, the Company receiving confirmation in writing in the form of a letter or other official correspondence from the federal government of Germany (or a department acting with delegated authority) or the Saxony regional government of Germany that it will formally support the Cinovec Project and the supply of lithium products from the Cinovec Project into Germany and use its best endeavours to assist the Cinovec Project in permitting and funding, apart from other factors.

**Tranche 2:** on or before 30 June 2023, the Company receiving confirmation in the form of a letter or other official correspondence from the federal government of Germany (or a department acting with delegated authority) or the Saxony regional government of Germany that it will formally support an increased production plan for the Cinovec Project subject to supply security considerations for European manufacturers of Electric vehicles and batteries. (**Vesting Conditions**).

**(d) Exercise Period**

The Options are exercisable at any time after the Vesting Conditions have been satisfied and on or prior to the Expiry Date (**Exercise Period**). If the Vesting Conditions have not been met prior to the Expiry Date, the Options may not be exercised.

**(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 CDI's on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- a. issue the number of CDI's 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;
- b. if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- c. if admitted to the official list of ASX at the time, apply for official quotation on ASX of CDI's issued pursuant to the exercise of the Options.

- (h) CDI's issued on exercise**  
CDI's issued on exercise of the Options rank equally with the then issued CDI's of the Company.
- (i) Reconstruction of capital**  
If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the 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 CDI holders 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 only after the Vesting Conditions have been satisfied and subject to the prior written consent of the Company.

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# European Metals Holdings Limited

ARBN 154618989

## Need assistance?



**Phone:**

1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be received by **4:00pm (AWST) on Tuesday, 22 November 2022.**

# CDI Voting Instruction Form

## How to Vote on Items of Business

Each CHESS Depository Interest (CDI) is equivalent to one share of Company Common Stock, so that every 1 (one) CDI registered in your name at 21 November 2022 entitles you to one vote.

You can vote by completing, signing and returning your CDI Voting Instruction Form. This form gives your voting instructions to CHESS Depository Nominees Pty Ltd, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CHESS Depository Nominees Pty Ltd enough time to tabulate all CHESS Depository Interest votes and to vote on the underlying shares.

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

**Power of Attorney:** If you have not already lodged the Power of Attorney with the Australian registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Only duly authorised officer/s can sign on behalf of a company. Please sign in the boxes provided, which state the office held by the signatory, ie Sole Director, Sole Company Secretary or Director and Company Secretary. Delete titles as applicable.

## Lodge your Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

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

# CDI Voting Instruction Form

Please mark  to indicate your directions

## Step 1 CHES Depositary Nominees Pty Ltd will vote as directed

XX

### Voting Instructions to CHES Depositary Nominees Pty Ltd

Please mark box A OR B

**A**  vote on my/our behalf with respect to the Resolutions below in the manner instructed in Step 2 below.

OR

**B**  **appoint the Chair of the Meeting** OR

to attend, speak and vote the shares underlying my/our holding at the Annual General Meeting of European Metals Holdings Limited to be held at The Celtic Club, 48 Ord Street, West Perth WA 6005 on Friday, 25 November 2022 at 4:00pm (AWST) (8:00 am GMT) and at any adjournment or postponement of that meeting.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote. Unless indicated otherwise by ticking the "for", "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

By execution of this CDI Voting Form the undersigned hereby authorises CHES Depositary Nominees Pty Ltd to appoint such proxies or their substitutes to vote in their discretion on such business as may properly come before the meeting.

## Step 2 Items of Business

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

		For	Against	Abstain
1	Re-election of Director – Mr Richard Pavlik	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Ratification of Prior Issue of Placement CDIs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Ratification of Prior Issue of Options to Luthardt Investment GmbH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5(a)	Approval of the amendment of the Memorandum and Articles of Association	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5(b)	Authorisation of the Company's registered agent to file the amended and restated Memorandum and Articles of Association	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

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

