

21 October 2024

Dear Shareholder

Annual General Meeting – Notice of Meeting and Proxies

Notice is given that the Annual General Meeting (**Meeting**) of Shareholders of Kali Metals Limited (ACN 653 279 371) (**Company**) will be held as follows:

Time and date: 2:30pm (Perth time) on Wednesday, 20 November 2024

Location: Level 9, Jarrah and Karri Room, Mia Yellagonga Tower 2, 5 Spring Street, Perth Western Australia 6000

Notice of Meeting

In accordance with the *Corporations Act 2001* (Cth) the Company will not be dispatching physical copies of the Notice of Meeting unless individual shareholders have made a valid election to receive documents in hard copy. Instead, the Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically and can be viewed and downloaded from:

- the Company's website at <https://kalimetals.com.au/asx-announcements/>; and
- the ASX market announcements page under the Company's code "KM1".

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

Voting at the Meeting or by proxy

Shareholders are encouraged to vote by lodging a proxy form.

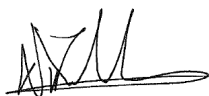
Proxy forms can be lodged:

- **Online:** <https://investor.automic.com.au/#/loginsah>
- **By mobile:** Scan the QR Code on your Proxy Form and follow the prompts
- **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 fax:** +61 2 8583 3040

Your proxy voting instruction must be received by 2:30pm (Perth time) on Monday, 18 November 2024 being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

The Meeting Materials should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Authorised for release by:



Nicholas Madders
Company Secretary
Kali Metals Limited



Kali Metals Limited
ACN 653 279 371

Notice of Annual General Meeting

The Annual General Meeting of the Company will be held as follows:

Time and date: 2:30pm (AWST) on Wednesday, 20 November 2024

In-person:

**BDO
Level 9, Jarrah and Karri Room
Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000**

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company by email via nick.madders@kalimetals.com.au

Shareholders are urged to vote by lodging the Proxy Form

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**Kali Metals Limited
ACN 653 279 371
(Company)**

Notice of Annual General Meeting

Notice is hereby given that the annual general meeting of Shareholders of Kali Metals Limited will be held at **BDO, Level 9, Jarrah and Karri Room, Mia Yellagonga Tower 2, 5 Spring Street, Perth WA 6000** on Wednesday, 20 November 2024 at 2:30pm (AWST) (**Meeting**).

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

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 as Shareholders on Monday, 18 November 2024 at 4:00pm (AWST).

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

Agenda

1 Annual Report

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2024, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Note: there is no requirement for Shareholders to approve the Annual Report.

2 Resolutions

Resolution 1 – Remuneration Report

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

'That, the Remuneration Report be adopted by Shareholders, on the terms and conditions in the Explanatory Memorandum.'

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

Resolution 2 – Election of Director – Luke Reinehr

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

'That, Luke Reinehr, who retires in accordance with Article 6.1(f)(i)(B) of the Constitution, Listing Rule 14.5 and for all other purposes, retires and, being eligible and offering himself for re-election, is re-

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elected as a Director, on the terms and conditions in the Explanatory Memorandum.'

Resolution 3 – Election of Director – Graeme Sloan

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

'That, Graeme Sloan, who retires in accordance with Articles 6.1(e) and 6.1(j) of the Constitution and for all other purposes, retires and, being eligible and offering himself for re-election, is re-elected as a Director, on the terms and conditions in the Explanatory Memorandum.'

Resolution 4 – Election of Director – Simon Coyle

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

'That, Simon Coyle, who retires in accordance with Articles 6.1(e) and 6.1(j) of the Constitution and for all other purposes, retires and, being eligible and offering himself for re-election, is re-elected as a Director, on the terms and conditions in the Explanatory Memorandum.'

Resolution 5 – Appointment of Auditor

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

'That, for the purposes of sections 327B(1)(a) of the Corporations Act and for all other purposes, BDO Audit Pty Ltd, having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor of the Company, be appointed as auditor to the Company, with effect from the close of the Meeting, on the terms and conditions in the Explanatory Memorandum.'

Resolution 6 – Approval of 10% Placement Facility

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

'That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling 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.'

Resolution 7 – Re-approval of Employee Securities Incentive Plan

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

'That for the purposes of exception 13(b) of Listing Rule 7.2 and for all other purposes, Shareholders re-approve the employee securities incentive plan of the Company known as the "Kali Metals Ltd

Employee Securities Incentive Plan" and the issue of up to a maximum of 14,463,187 Equity Securities under that plan, on the terms and conditions in the Explanatory Memorandum.'

Resolution 8 – Approval of potential termination benefits under the Plan

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

'That, conditional on Resolution 7 being approved, for a period commencing from the date this Resolution is passed and ending upon the expiry of all Securities issued or to be issued under the Plan, approval be given for all purposes including Part 2D.2 of the Corporations Act for the giving of benefits to any current or future person holding a managerial or executive office of the Company or a related body corporate in connection with that person ceasing to hold such office, on the terms and conditions in the Explanatory Memorandum.'

Resolution 9 – Approval of issue of MD Performance Rights

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 10.14 and for all other purposes, Shareholders approve the issue of 1,200,000 MD Performance Rights to Paul Adams (or his nominees) under the Plan on the terms and conditions in the Explanatory Memorandum.'

Resolution 10 – Approval of issue of Director Options

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

'That, pursuant to and in accordance with Listing Rule 10.14, sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of the Director Options to the Directors (or their respective nominees) under the Plan as follows:

- (a) 1,500,000 Director Options to Luke Reinehr;
- (b) 1,250,000 Director Options to Paul Adams;
- (c) 1,000,000 Director Options to Graeme Sloan; and
- (d) 1,000,000 Director Options to Simon Coyle,

on the terms and conditions in the Explanatory Memorandum.'

Resolution 11 – Ratification of issue of Consideration Shares to MEG

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 485,529 Consideration Shares to MEG (or its nominee/s) issued under Listing Rule 7.1, on the terms and conditions in the Explanatory Memorandum.'

Voting prohibitions

Resolution 1: In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person 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 does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel Voting exclusions.

Resolution 8, Resolution 9 and Resolution 10(a)-(d): 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 the relevant Resolution if:

- (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and
- (c) the appointment does not specify the way the proxy is to vote on the resolutions.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 8: In addition to the above, in accordance with section 200E(2A) of the Corporations Act, a vote on this Resolution must not be cast by any participants or potential participants in the Plan and their associates, otherwise the benefit of this Resolution will be lost by such a person in relation to that person's future retirement.

However, a vote may be cast by such a person if:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of the person or an associate of the person.

Further, in respect of each of **Resolution 10(a)-(d)** (inclusive), in accordance with section 224 of the Corporations Act, a vote on these Resolutions must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the relevant Resolution would permit a financial benefit to be

given, or an associate of such a related party.

However, the above prohibition does not apply if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the relevant Resolution; and
- (b) it is not cast on behalf of a related party of the Company to whom the relevant Resolution would permit a financial benefit to be given, or an associate of such a related party.

Please note: if the Chair is a person referred to in the voting prohibition statement above (section 224 of the Corporations Act), the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on the relevant Resolution. If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Voting exclusions

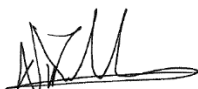
Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) **Resolution 6:** if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, by or on behalf of any persons who are 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 Shareholder), or any of their respective associates;
- (b) **Resolution 7:** by or on behalf of a person who is eligible to participate in the Plan, or any of their respective associates;
- (c) **Resolution 9:** by or on behalf of Paul Adams (or his nominees) 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 Plan, or any of their respective associates;
- (d) **Resolution 10(a):** by or on behalf of Luke Reihner (or his nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates;
- (e) **Resolution 10(b):** by or on behalf of Paul Adams (or his nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates;
- (f) **Resolution 10(c):** by or on behalf of Graeme Sloan (or his nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates;
- (g) **Resolution 10(d):** by or on behalf of Simon Coyle (or his nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates; and
- (h) **Resolution 11:** by or on behalf of MEG (or its nominees), and any person who participated in the issue of the MEG Shares, or any of their respective associates.

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote, 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, 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.

BY ORDER OF THE BOARD



Nicholas Madders
Company Secretary
Kali Metals Limited
Dated: 15 October 2024

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Kali Metals Limited
ACN 653 279 371
(Company)

Explanatory Memorandum

2. 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 **BDO, Level 9, Jarrah and Karri Room, Mia Yellagonga Tower 2, 5 Spring Street, Perth WA 6000** on Wednesday, 20 November 2024 at 2:30 PM AWST.

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 Resolution will be voted.

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

Section 3	Action to be taken by Shareholders
Section 4	Annual Report
Section 5	Resolution 1 – Remuneration Report
Section 6	Resolution 2 – Election of Director – Luke Reinehr
Section 7	Resolution 3 – Election of Director – Graeme Sloan
Section 8	Resolution 4 – Election of Director – Simon Coyle
Section 9	Resolution 5 – Appointment of Auditor
Section 10	Resolution 6 – Approval of 10% Placement Facility
Section 11	Resolution 7 – Re-approval of Employee Securities Incentive Plan
Section 12	Resolution 8 – Approval of potential termination benefits under the Plan
Section 13	Resolution 9 – Approval of issue of MD Performance Rights
Section 14	Resolution 10 – Approval of issue of Director Options
Section 15	Resolution 11 – Ratification of issue of Consideration Shares to MEG
Schedule 1	Definitions
Schedule 2	Nomination of Auditor
Schedule 3	Material Terms of the Plan

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Schedule 4	Valuation of the MD Performance Rights
Schedule 5	Material Terms of the Plan
Schedule 6	Terms and Conditions of the Director Options
Schedule 7	Valuation of the Director Options

A Proxy Form is located at the end of the Explanatory Memorandum.

3. Action to be taken by Shareholders

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

3.1 Voting in person

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

3.2 Voting by proxy

A Proxy Form is provided with the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and

- (d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (b) the appointed proxy is not the chair of the meeting;
- (c) at the meeting, a poll is duly demanded, or is otherwise required under section 250JA on the resolution; and
- (d) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

3.3 **Chair's voting intentions**

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

Subject to the following paragraph, If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of Resolution 1, Resolution 7, Resolution 8, Resolution 9 and Resolution 10(a) to (d) (inclusive) even though these Resolutions are connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

If the Chair is a person referred to in the voting prohibition statement applicable to a Resolution (under section 224 of the Corporations Act), the Chair will only be able to cast a vote as proxy for you on the relevant Resolution if you are entitled to vote and have specified your voting intention in the Proxy Form.

3.4 **Submitting questions**

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company at nick.madders@kalimetals.com.au no later than five business days before the Meeting.

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

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

4. **Annual Report**

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2024.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <https://app.sharelinktechnologies.com/announcement/asx/95963af1417fe9038dbd53975b0e25ea>;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

5. Resolution 1 – Remuneration Report

5.1 General

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report for the year ended 30 June 2024 in the 2024 Annual Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

This is the Company's first annual general meeting since being admitted to the official list of ASX on 8 January 2024. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2025 annual general meeting, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about or make comments on the Remuneration Report.

5.2 **Additional information**

Resolution 1 is an ordinary resolution.

Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

6. **Resolution 2 – Election of Director – Luke Reinehr**

6.1 **General**

Luke Reinehr was appointed as Director upon incorporation of the Company on 31 August 2021. Article 6.1(f)(i)(B) requires any director to retire having been in office for three or more years since elected.

Article 6.1(i) of the Constitution provides that a Director who retires in accordance with Article 6.1(f) is eligible for re-election and may by resolution be re-elected to that office.

Accordingly, Luke Reinehr retires at this Meeting and, being eligible, seeks re-election pursuant to this Resolution 2.

6.2 **Luke Reinehr**

Mr Reinehr was co-founder and previously the managing director of Kalamazoo Resources Limited (**Kalamazoo**) from January 2013 to July 2016 and is currently the Executive Chairman. Mr Reinehr has over 25 years' experience in senior management positions of resources and technology companies in Australia and abroad.

Mr Reinehr does not currently hold any other material directorships, other than as disclosed in this Notice.

If elected, Mr Reinehr is not considered by the Board (with Mr Reinehr abstaining) to be an independent Director because he is a director of Kalamazoo Resources Limited, a substantial shareholder of the Company.

Mr Reinehr has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

6.3 **Board recommendation**

The Board (other than Mr Reinehr who has a personal interest in the outcome of this Resolution) supports the re-election of Mr Luke Reinehr and recommends that Shareholders vote in favour of this Resolution.

The Board considers that Mr Reinehr has the necessary level of experience and has an in-depth knowledge and understanding of the Company and its business, and his continuing role

as a member of the Board will benefit the company.

6.4 **Additional information**

Resolution 2 is an ordinary resolution.

7. **Resolution 3 – Election of Director – Graeme Sloan**

7.1 **General**

Article 6.1(d) of the Constitution provides that the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

Article 6.1(e) of the Constitution provides that a Director appointed under Article 6.1(d) must not hold office without re-election past the next annual general meeting of the Company following the Director's appointment.

Article 6.1(i) of the Constitution provides that a Director who retires in accordance with Article 6.1(e) is eligible for re-election and may by resolution be re-elected to that office.

Article 6.1(j) provides that the directors retirement and re-election take effect at the conclusion of the meeting at which it takes place.

Graeme Sloan was appointed as Director on 19 May 2023. Accordingly, Graeme Sloan retires at this Meeting and, being eligible, seeks re-election pursuant to this Resolution 3.

7.2 **Graeme Sloan**

Mr Graeme Sloan was appointed to the Kali Metals Limited Board as a Managing Director on 19 May 2023. On 21 May 2024 the Company announced the appointment of Mr Paul Adams as Managing Director, taking over the role from Mr Sloan. Mr Sloan remained with the Company as a Non-Executive Director.

Mr Sloan is a qualified Mining Engineer with over 35 years' experience as a Managing Director/CEO, Non-Executive Director, Chairman and Member of Audit, Risk and Sustainability Committee's and General Manager of Operations. He has held roles in corporate affairs, operational management, technical and project development and has worked in Australia, North and South America holding senior technical roles for ASX, TSX and AIM listed companies. He has also worked in most commodities and is currently Chairman of TSX listed gold explorer Golden Horse Minerals (formerly Altan Rio).

Mr Sloan does not currently hold any other material directorships.

Mr Sloan has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

7.3 **Board recommendation**

The Board (other than Graeme Sloan who has a personal interest in the outcome of this Resolution) supports the re-election of Mr Graeme Sloan and recommends that Shareholders vote in favour of this Resolution.

The Board considers that Graeme Sloan has the necessary level of experience and has an in-

depth knowledge and understanding of the Company and its business, and his continuing role as a member of the Board will benefit the company.

7.4 **Additional information**

7.5 Resolution 3 is an ordinary resolution.

8. **Resolution 4 – Election of Director – Simon Coyle**

8.1 **General**

Article 6.1(d) of the Constitution provides that the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

Article 6.1(e) of the Constitution provides that a Director appointed under Article 6.1(d) must not hold office without re-election past the next annual general meeting of the Company following the Director's appointment.

Article 6.1(i) of the Constitution provides that a Director who retires in accordance with Article 6.1(e) is eligible for re-election and may by resolution be re-elected to that office.

Article 6.1(j) provides that the directors retirement and re-election take effect at the conclusion of the meeting at which it takes place.

Simon Coyle was appointed as Director on 19 May 2023. Accordingly, Simon Coyle retires at this Meeting and, being eligible, seeks re-election pursuant to this Resolution 4.

8.2 **Simon Coyle**

Simon Coyle has 20 years' industry experience and graduated from the Western Australian School of Mines. He held several senior operational management positions in a range of commodities including gold, iron ore, manganese and lithium. More recently he held the position of General Manager Operations for Pilbara Minerals hard rock lithium operation, Pilgangoora. He successfully led the development and expansion of the operation to become one of the worlds leading producers of spodumene concentrate.

Mr Coyle is the President and CEO of Velox Energy Materials Inc. Mr Coyle does not currently hold any other material directorships, other than as disclosed in this Notice.

If elected, Mr Coyle is considered by the Board (with Mr Coyle abstaining) to be an independent Director. Mr Coyle is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Mr Coyle has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

8.3 **Board recommendation**

The Board (other than Mr Coyle who has a personal interest in the outcome of this Resolution) supports the re-election of Mr Simon Coyle and recommends that Shareholders vote in favour

of this Resolution.

The Board considers that Mr Coyle has the necessary level of experience and has an in-depth knowledge and understanding of the Company and its business, and his continuing role as a member of the Board will benefit the company.

8.4 **Additional information**

Resolution 4 is an ordinary resolution.

9. **Resolution 5 – Appointment of Auditor**

9.1 **General**

Resolution 5 seeks Shareholder approval for the appointment of BDO Audit Pty Ltd (**BDO Audit**) as the Company's auditor.

Section 327B(1) of the Corporations Act provides that a Company must appoint an auditor at its first annual general meeting. This is the first annual general meeting of the Company.

The Directors appointed BDO Audit (WA) Pty Ltd (**BDO WA**) as the Company's auditor following registration of the Company.

As announced on 7 June 2024, the Company appointed BDO Audit as the new auditor of the Company following the resignation of the BDO WA after receiving consent from ASIC on 3 July 2024 to resign as the Company's auditor in accordance with section 329(5) of the Corporations Act.

The change to the Company's auditor is a result of the BDO WA restructuring its audit practice whereby the Company's audits will be conducted by BDO Audit, an authorised audit company, rather than BDO WA. In effect, there will be no change to the auditor of the Company.

Under section 327C(2) of the Corporations Act, any auditor appointed under section 327C(1) of the Corporations Act holds office until the company's next annual general meeting. The Company is therefore required to appoint an auditor of the Company to fill the vacancy in the office of auditor at this annual general meeting pursuant to section 327B of the Corporations Act.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a Shareholder for BDO Audit to be appointed as the Company's auditor. A copy of this nomination is attached to this Notice at Schedule 2.

Resolution 5 seeks Shareholder approval to appoint BDO Audit as the Company's auditor under section 327B of the Corporations Act, which requires both appointment of an auditor at a Company's first annual general meeting and shareholder approval for the appointment of a new auditor to fill a vacancy at the Company's annual general meeting.

If Resolution 5 is passed, the appointment of BDO Audit as the Company's auditor will take effect at the close of this Meeting.

If Resolution 5 is not passed the Company will need to appoint a new auditor other than BDO Audit.

BDO has given its written consent to act as the Company's auditor.

9.2 **Additional information**

Resolution 5 is an ordinary resolution.

The Board recommends Shareholders vote in favour of this Resolution 5.

10. **Resolution 6 – Approval of 10% Placement Facility**

10.1 **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 shares it had on issue at the start of that period. Under Listing Rule 7.1A, however, an eligible entity can seek approval from its shareholders, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% annual placement capacity under Listing Rule 7.1.

Resolution 6 seeks Shareholder approval to provide the Company with the ability to issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 10.2(f) below). The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 10.2(c) below).

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

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

10.2 **Listing Rule 7.1A**

(a) **Is the Company an eligible entity?**

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less.

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$26.8 million, based on the closing price of Shares (\$0.185) on 14 October 2024.

(b) **What Equity Securities can be issued?**

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 eligible entity.

As at the date of the Notice, the Company has on issue one quoted class of Equity Securities, being Shares.

(c) **How many Equity Securities can be issued?**

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

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

Where:

A = is the number of Shares on issue at the commencement of the Relevant Period:

- (A) plus the number of fully paid Shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of fully paid Shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - (1) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
 - (2) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (C) plus the number of fully paid Shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - (1) the agreement was entered into before the commencement of the Relevant Period; or
 - (2) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of partly paid Shares that became fully paid Shares in the Relevant Period;
- (E) plus the number of fully paid Shares issued in the Relevant Period with approval under Listing Rules 7.1 and 7.4; and
- (F) less the number of fully paid Shares cancelled in the Relevant Period.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity, and 'Relevant Period' has the relevant meaning given in Listing Rule 7.1 and 7.1A.2, namely, the 12 month-period immediately preceding the date of the issue or agreement.

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 to issue has not been subsequently approved by Shareholders under Listing Rule 7.4.

(d) **What is the interaction with Listing Rule 7.1?**

The Company's ability to issue Equity Securities under Listing Rule 7.1A will be in addition to its 15% annual placement capacity under Listing Rule 7.1.

(e) **At what price can the Equity Securities be issued?**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per Equity Security which is not less than 75% of the VWAP of Equity Securities in the same 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 10.2(e)(i) above, the date on which the Equity Securities are issued,

(Minimum Issue Price).

(f) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of the Meeting and will expire on the earlier of:

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

(g) **What is the effect of Resolution 6?**

The effect of Resolution 6 will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

10.3 Specific information required by Listing Rule 7.3A

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

(a) **Final date for issue**

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 10.2(f) above).

(b) **Minimum issue price**

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 10.2(e) above).

(c) **Purposes of issues under the 10% Placement Facility**

The Company may seek to issue Equity Securities under the 10% Placement Facility for the purposes of raising funds for continued investment in the Company's current assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

(d) **Risk of economic and voting dilution**

Shareholders should note that 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 of the Equity Securities than on the date of the Meeting; 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,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

If this Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table (in the case of convertible securities only if those convertible securities are converted into Shares).

The table below shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for Variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 10.2(c) above) as at the date of this Notice (**Variable A**), with:

- (i) two examples where Variable A has increased, by 50% and 100%; and

- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Shares (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.0925 50% decrease in Current Market Price	\$0.185 Current Market Price	\$0.37 100% increase in Current Market Price
144,631,874 Shares	10% Voting Dilution	14,463,187 Shares	14,463,187 Shares	14,463,187 Shares
Variable A	Funds raised	\$1,337,845	\$2,675,690	\$5,351,379
216,947,811 Shares	10% Voting Dilution	21,694,781 Shares	21,694,781 Shares	21,694,781 Shares
50% increase in Variable A	Funds raised	\$2,006,767	\$4,013,535	\$8,027,069
289,263,748 Shares	10% Voting Dilution	28,926,375 Shares	28,926,375 Shares	28,926,375 Shares
100% increase in Variable A	Funds raised	\$2,675,690	\$5,351,379	\$10,702,759

Notes:

1. The table has been prepared on the following assumptions:
 - (a) The issue price is the current market price (\$0.185), being the closing price of the Shares on ASX on 14 October 2024, being the latest practicable date before this Notice was signed.
 - (b) Variable A comprises of 144,631,874 existing Shares on issue as at the date of this Meeting, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.
 - (c) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (d) No convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
 - (e) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. 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.
2. The number of Shares on issue (i.e. Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.

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%. 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.

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.

(e) **Allocation policy**

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 issues or other issues in which existing Shareholders 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 this Notice but may include existing substantial Shareholders and/or new investors who are not related parties of or associates of a related party of the Company.

(f) **Issues in the past 12 months**

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has not issued or agreed to issue Equity Securities under Listing Rule 7.1A.

At the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of this Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

10.4 **Additional information**

Resolution 6 is a **special** resolution and therefore requires approval of 75% of the votes cast by Shareholders 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 recommends that Shareholders vote in favour of Resolution 6.

11. Resolution 7 – Re-approval of Employee Securities Incentive Plan

11.1 General

The Company considers that it is desirable to maintain an employee incentive scheme (**Plan**) pursuant to which the Company can issue Equity Securities to attract, motivate and retain key Directors, employees and consultants and provide them with the opportunity to participate in the future growth of the Company.

The Company is required to obtain shareholder approval for the issue of securities under the Plan so that any issue of securities under that Plan within the next three years falls within the ASX Listing Rule exception and will not reduce the Company's available placement capacity.

This Resolution seeks re-approval the Plan which was adopted prior to the Company's admission to the ASX in January of this year. As set out the Company's prospectus dated 3 November 2023, the maximum number of Equity Securities that may be issued under the current Plan is 7,207,317. The purpose of this Resolution is to seek re-approval of the Plan with an increased maximum number of Equity Securities that may be issued.

Approval is sought under this Resolution for the issue of up to a maximum of 14,463,187 Equity Securities under the Plan.

11.2 Listing Rules 7.1 and 7.2, exception 13(b)

Broadly speaking, Listing Rule 7.1 limits the ability of a listed entity from issuing or agreeing to issue Equity Securities over a 12-month period which exceeds 15% of the number of fully paid ordinary Shares it had on issue at the start of the 12-month period.

Listing Rule 7.2, exception 13(b), provides an exception to Listing Rule 7.1 such that issues of Equity Securities under an employee incentive scheme are exempt for a period of three years from the date on which Shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to issue up to a maximum of 14,463,187 Equity Securities under the Plan pursuant to Listing Rule 7.2, exception 13(b), to eligible participants over a period of three years without using the Company's 15% annual placement capacity under Listing Rule 7.1.

However, any future issues of Equity Securities under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

If Resolution 7 is not passed, any issue of Equity Securities pursuant to the Plan would need to be made either with Shareholder approval or, in default of Shareholder approval, pursuant to the Company's placement capacity under either or both Listing Rules 7.1 and 7.1A.

11.3 Specific information required by Listing Rule 7.2, exception 13(b)

Pursuant to and in accordance with Listing Rule 7.2, exception 13(b), the following information is provided in relation to the Plan:

- (a) A summary of the material terms of the Plan is in Schedule 3.

- (b) As at the date of this Notice, the Equity Securities have been issued under the Plan include:

Date of issue	Type of security	Number of Securities	Recipient(s)
8 January 2024	Performance Rights	1,803,625	Stuart Peterson
22 March 2024	Performance Rights	1,100,000	Nick Madders Silfia Morton Jeremy Burton David Mills
12 August 2024	Performance Rights	1,803,624	Mladen Stevanovic

- (c) The maximum number of Equity Securities proposed to be issued under the Plan pursuant to Listing Rule 7.2, exception 13(b), following approval of Resolution 7 is 14,463,187 (subject to adjustment in the event of a reorganisation of capital and further subject to applicable laws and the Listing Rules). This number comprises approximately 10% of the Company's Equity Securities currently on issue. The maximum number of Equity Securities is not intended to be a prediction of the actual number to be issued under the Plan but is specified for the purpose of setting a ceiling in accordance with Listing Rule 7.2 exception 13(b). It is not envisaged that the maximum number of Equity Securities for which approval is obtained will be issued immediately.
- (d) A voting exclusion statement is included in the Notice.

11.4 Additional information

Resolution 7 is an ordinary resolution.

The Board declines to make a recommendation in relation to Resolution 7 due to the Directors' potential personal interests in the outcome of the Resolution.

12. Resolution 8 – Approval of potential termination benefits under the Plan

12.1 General

The Corporations Act contains certain limitations concerning the payment of 'termination benefits' to persons who hold a 'managerial or executive office'. The Listing Rules also provides certain limitations on the payment of 'termination benefits' to officers of listed entities.

As is common with employee incentive schemes, the Plan provides the Board with the discretion to, amongst other things, determine that some or all of the Equity Securities granted to a participant under the Plan (**Plan Securities**) will not lapse in the event of that participant ceasing their engagement with the Company before such Plan Securities have vested. This 'accelerated vesting' of Plan Securities may constitute a 'termination benefit' prohibited under the Corporations Act, regardless of the value of such benefit, unless Shareholder approval is obtained.

The Company has not previously sought and obtained Shareholder approval at an annual general meeting for the granting of such termination benefits. However, as the Company is seeking a fresh approval under Listing Rule 7.2, exception 13(b) at this Meeting (the subject of Resolution 8) to adopt the Plan, the Board has resolved to seek Shareholder approval for the granting of such termination benefits in accordance with this Resolution.

If Resolution 9 is not passed, the Company will not be able to offer 'termination benefits' to persons who hold a 'managerial or executive office' pursuant to the terms of the Plan unless Shareholder approval is obtained each and every time such termination benefit is proposed, in accordance with section 200E of the Corporations Act.

12.2 **Part 2D.2 of the Corporations Act**

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a 'managerial or executive office' (as defined in the Corporations Act) if an exemption applies or if the benefit is approved by Shareholders in accordance with section 200E of the Corporations Act.

Subject to Shareholder approval of Resolution 9, Shareholder approval is sought for the purposes of Part 2D.2 of the Corporations Act to approve the giving of benefits under the Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Memorandum.

Under the terms of the Plan and subject to the Listing Rules and the Corporations Act, the Board possesses the discretion to vary the terms or conditions of the Plan Securities. Notwithstanding the foregoing, without the consent of the participant in the Plan, no amendment may be made to the terms of any granted Plan Security which reduces the rights of the participant in respect of that Plan Security, other than an amendment introduced primarily to comply with legislation, to correct any manifest error or mistake or to take into consideration possible adverse tax implications.

As a result of the above discretion, the Board has the power to determine that some or all of a participant's Plan Securities will not lapse in the event of the participant ceasing employment or office before the vesting of their Plan Securities.

The exercise of this discretion by the Board may constitute a 'benefit' for the purposes of section 200B of the Corporations Act. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of any current or future participant in the Plan who holds:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving; and
- (b) Plan Securities at the time of their leaving.

12.3 **Valuation of the termination benefits**

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 legislation).

The value of the termination benefits that the Board may give under the Plan 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 Plan Securities that will vest or otherwise be affected. The following additional factors may also affect the benefit's value:

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

In accordance with Listing Rule 10.19, the Company will ensure that no officer of the Company or any of its child entities will, or may be, entitled to termination benefits if the value of those benefits and the terminations benefits that are or may be payable to all officers together exceed 5% of the equity interests of the Company as set out in the latest accounts given to ASX under the Listing Rules.

12.4 **Additional information**

Resolution 8 is conditional on the passing of Resolution 7.

If Resolution 7 is not approved at the Meeting, Resolution 8 will not be put to the Meeting.

Resolution 8 is an ordinary resolution.

13. **Resolution 9 – Approval of issue of MD Performance Rights**

13.1 **General**

On 21 May 2024, the Company announced that Paul Adams, a Non-Executive Director of the Company, had been appointed as the Managing Director of the Company. In connection with Mr Adam's appointment as Managing Director, the Company agreed (amongst other things) to issue Mr Adams 1,200,000 Performance Rights under the Plan (**MD Performance Rights**), subject to prior receipt of Shareholder approval.

Subject to the rules of the Plan, Performance Rights will vest and can be exercised upon satisfaction of the following vesting conditions, in the numbers detailed as follows:

Class	Number	Vesting Condition	Expiry
Class A	600,000	The Company announces a JORC 2012 compliant indicated resource estimate of an aggregate of at least 10 Mt of lithium ore at a minimum grade of 1% Li ₂ O across any of its projects by 28 June 2026.	28 June 2026
Class B	600,000	The Company announces a JORC 2012 compliant indicated resource estimate of an aggregate of at least 30 Mt of lithium	28 June 2028

		ore at a minimum grade of 1% Li ₂ O by 28 June 2028.	
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The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue of the MD Performance Rights aims to align the efforts and interests of Mr Adams with those of Shareholders. In addition, the Board also believes that incentivising with Performance Rights is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these MD Performance Rights to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

The MD Performance Rights will be issued on the terms and conditions described in Schedule 3.

Resolution 9 seek Shareholder approval pursuant to Listing Rule 10.14 for the issue of the MD Performance Rights to Mr Paul Adams (or his nominees) under the Plan.

13.2 **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 its shareholders:

- (a) a director of the entity (Listing Rule 10.14.1);
- (b) an associate of a person referred to in Listing Rule 10.14.1 (Listing Rule 10.14.2); and
- (c) a person whose relationship with the entity or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by shareholders.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the MD Performance Rights as approval is being obtained under Listing Rule 10.14. Accordingly, the issue of the MD Performance Rights to Mr Adams (or his nominees) will not be included in the Company's 15% annual placement capacity in Listing Rule 7.1.

The effect of Shareholders passing Resolution 9 will be to allow the Company to issue the MD Performance Rights to Mr Adams (or his nominees) under the Plan.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the MD Performance Rights, and the Company may have to consider alternative commercial means to incentivise Mr Adams.

13.3 **Specific 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 the proposed issue of the MD Performance Rights:

- (a) The MD Performance Rights will be issued under the Plan to Mr Adams (or his nominees).
- (b) Mr Adams falls into the category stipulated by Listing Rule 10.14.1 by virtue of being a Director of the Company. If any MD Performance Rights are issued to Mr Adam's nominee, that nominee will fall into the category stipulated by Listing Rule 10.14.2.

- (c) A maximum of 1,200,000 Performance Rights will be issued to Mr Adams (or his nominees).
- (d) The current total annual remuneration package for Mr Adams at the date of this Notice is \$300,000 per annum (exclusive of superannuation).
- (e) Mr Adams was previously issued 1,803,625 performance rights under the Plan in connection with the Company's IPO. The performance rights were issued for nil cash consideration as they were issues as an incentive component of Mr Adam's remuneration package.
- (f) The MD Performance Rights will be issued on the terms and conditions set out in Schedule 3.
- (g) The MD Performance Rights will be issued for nil cash consideration and will be provided as an incentive component to Mr Adam's remuneration package for the reasons set out in Section 13.3(d) above.
- (h) A valuation of the MD Performance Rights is contained in Schedule 5, valuing the MD Performance Rights at a total of \$150,000.
- (i) The MD Performance Rights will be issued to Mr Paul Adams (or his nominees) as soon as practicable following the Meeting and in any event, not later than 3 months following the Meeting.
- (j) A summary of the material terms of the Plan is in Schedule 3.
- (k) No loan will be provided in relation to the issue of the MD Performance Rights.
- (l) Details of any Securities issued under the Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after Resolution 9 is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (m) A voting exclusion statement is included in the Notice.

13.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 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 proposed issue of MD Performance Rights constitutes giving a financial benefit to a related party of the Company.

The Board (with Mr Paul Adams abstaining) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the issue of the MD Performance Rights is considered to be reasonable remuneration and therefore falls within the exception stipulated by section 211 of the Corporations Act.

13.5 **Additional information**

Resolution 9 is an ordinary Resolution.

The Board (with Mr Adams abstaining) recommends that Shareholders vote in favour of Resolution 9.

14. **Resolution 10 – Approval of issue of Director Options**

14.1 **General**

The Company is proposing, subject to obtaining Shareholder approval, to issue up to a total of 4,750,000 Options to the Directors or their respective nominees, under the Plan (**Director Options**) as follows:

Director	Tranche 1⁽¹⁾	Tranche 2⁽²⁾	Total
Luke Reinehr (<i>Non-Executive Chairman</i>)	750,000	750,000	1,500,000
Paul Adams (<i>Managing Director</i>)	625,000	625,000	1,250,000
Graeme Sloan (<i>Non-Executive Director</i>)	500,000	500,000	1,000,000
Simon Coyle (<i>Non-Executive Director</i>)	500,000	500,000	1,000,000
TOTAL	2,375,000	2,375,000	4,750,000

1. The Tranche 1 Director Options will have an exercise price of \$0.243 and an expiry date of 3 years from the issue date.
2. The Tranche 2 Director Options will have an exercise price of \$0.324 and an expiry date of 3 years from the issue date.

Refer to Schedule 6 for a summary of the terms and conditions of the Director Options.

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue of the Director Options seeks to align the efforts of the Directors in seeking to achieve growth of the Share price and in the creation of Shareholder value. In addition, the Board also believes that incentivising with Options is a prudent means of conserving the Company's available cash reserves. The Board

believes it is important to offer these Director Options to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

Resolution 10(a) to (d) (inclusive) seek Shareholder approval pursuant to Listing Rule 10.14 and sections 195(4) and 208 of the Corporations Act for the issue of up to 4,750,000 Director Options under the Plan to the Directors or their respective nominees.

14.2 **Listing Rule 10.14**

A summary of Listing Rule 10.14 is set out in Section 13.2 above.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Options as approval is being obtained under Listing Rule 10.14. Accordingly, the issue of the Director Options will not be included in the Company's 15% annual placement capacity in Listing Rule 7.1 or the maximum permitted number of Equity Securities issued under Listing Rule 7.2, exception 13(b).

The effect of Shareholders passing Resolution 10(a) to (d) (inclusive) will be to allow the Company to proceed with the issue of the Director Options to the Directors (or their respective nominees) in the proportions listed above.

If Resolution 10(a) to (d) (inclusive) are not passed, the Company will not be able to proceed with the issue of the Director Options to the Directors (or their respective nominees) and the Company will consider other alternative commercial means to incentivise the Directors, including by the payment of cash, subject to the requirements of the Constitution, Corporations Act and Listing Rules.

Resolution 10(a) to (d) (inclusive) are not conditional on each other, and Shareholders may approve one or all of those Resolutions (in which case, the Director Options the subject of the relevant Resolution(s) will be issued), even though Shareholders have not approved all of these Resolutions.

14.3 **Specific 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 the proposed issue of the Director Options:

- (a) The Director Options will be issued under the Plan to:
 - (i) Luke Reinehr pursuant to Resolution 10(a);
 - (ii) Paul Adams pursuant to Resolution 10(b);
 - (iii) Graeme Sloan pursuant to Resolution 10(c); and
 - (iv) Simon Coyle pursuant to Resolution 10(d),or their respective nominees.
- (b) Each of the Directors are a related party of the Company by virtue of being a Director of the Company and falls into the category stipulated by Listing Rule 10.14.1. In the

event the Director Options are issued to a nominee of a Director, that nominee will fall into the category stipulated by Listing Rule 10.14.2.

- (c) The maximum number of Director Options to be issued to the Directors (or their respective nominees) under the Plan is 4,750,000, in the proportions set out in Section 14.1 above.
- (d) The current total annual remuneration package for each of the Directors as at the date of this Notice is set out in the table below:

Director	Salary and fees (exclusive of superannuation, where applicable)
Luke Reinehr (<i>Non-Executive Chairman</i>)	\$85,000
Paul Adams (<i>Managing Director</i>)	\$300,000
Graeme Sloan (<i>Non-Executive Director</i>)	\$50,000
Simon Coyle (<i>Non-Executive Director</i>)	\$50,000

- (e) The following Equity Securities have previously been issued under the Plan to the Directors or their respective nominees:

Date of issue	Performance Rights	Director	Acquisition price
28 June 2023	2,410,154	Luke Reinehr	Nil
28 June 2023	1,803,625	Paul Adams	Nil
28 June 2023	1,508,341	Graeme Sloan	Nil
28 June 2023	1,213,057	Simon Coyle	Nil

- (f) The Director Options will be issued on the terms and conditions set out in Schedule 6.
- (g) The Board considers that Options, rather than Shares or Performance Rights, are an appropriate form of incentive because they reward the Directors for their continued service to the Company. Additionally, the issue of Options instead of cash is a prudent means of rewarding the Directors whilst conserving the Company's available cash reserves.
- (h) Using a Black and Scholes valuation model, the Company's valuation of the Director Options is as follows. The valuation methodology is in Schedule 7.

Director	Valuation of Director Options
Luke Reinehr (<i>Non-Executive Chairman</i>)	\$88,515
Paul Adams (<i>Managing Director</i>)	\$73,763
Graeme Sloan (<i>Non-Executive Director</i>)	\$59,010
Simon Coyle (<i>Non-Executive Director</i>)	\$59,010

- (i) The Director Options will be issued to the Directors (or their respective nominees) as soon as practicable following the Meeting and in any event no later than three years after the Meeting.
- (j) The Director Options will be issued for nil cash consideration and will be provided as an incentive component to the Directors' remuneration packages.
- (k) A summary of the material terms of the Plan is in Schedule 3.
- (l) No loan will be provided to the Directors in relation to the issue of the Director Options.
- (m) Details of any 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.
- (n) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (o) A voting exclusion statement is included in the Notice.

14.4 **Section 195 of the Corporations Act**

Section 195(1) of the Corporations Act prohibits a director of a public company who has a material personal interest in a matter that is being considered at a meeting of directors from being present while the matter is being considered at the meeting or voting on the matter. If there is not a quorum of directors who are eligible to vote on a matter because of the operation of section 195(1) of the Corporations Act, one or more directors may call a general meeting and the general meeting may deal with the matter.

The Directors have a personal interest in the outcome of each of their respective Resolutions under Resolution 10(a) to (d) (inclusive) and have exercised their right under section 195(4) of the Corporations Act to put the issue of the Director Options to the Directors to Shareholders to resolve upon.

14.5 **Chapter 2E of the Corporations Act**

A summary of Chapter 2E of the Corporations Act is in Section 13.4 above.

The proposed issue of the Director Options constitutes giving a financial benefit to related parties of the Company.

Given the personal interests of all the Directors in the outcome of this Resolution, the Board is seeking Shareholder approval pursuant to Chapter 2E of the Corporations Act in respect of the issue of the Director Options. Notwithstanding that the issue of the Director Options is considered by the Board as reasonable remuneration and therefore falls within the exception stipulated by section 211 of the Corporations Act, the Board considers that there may be potential conflicts of interest should Shareholder approval not be sought.

14.6 **Information required under Chapter 2E of the Corporations Act**

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Director Options:

(a) **Identity of the related parties to whom Resolution 10(a) to (d) (inclusive) would permit financial benefits to be given**

Refer to Section 14.3(a) above.

(b) **Nature of the financial benefit**

Resolution 10(a) to (d) (inclusive) seek Shareholder approval to allow the Company to issue the Director Options in the amounts specified in Section 14.1 to the Directors (or their respective nominees).

The Director Options are to be issued in accordance with the Plan and otherwise on the terms and conditions in Schedule 6.

The Shares to be issued upon conversion of the Director Options will be fully paid ordinary Shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares. The Company will apply for official quotation of the Shares on ASX.

(c) **Board recommendations**

Given the personal interests of all the Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders in relation to Resolution 10(a) to (d) (inclusive).

(d) **Valuation of financial benefit**

Refer to Section 14.3(h) above and Schedule 7.

(e) **Remuneration of the Directors**

Refer to Section 14.3(d) above.

(f) **Existing relevant interest of the Directors**

At the date of this Notice, the Directors hold the following relevant interests in Equity Securities of the Company:

Director	Shares	Performance Rights
Luke Reinehr (<i>Non-Executive Chairman</i>)	919,575	2,410,154
Paul Adams (<i>Managing Director</i>)	656,694	1,803,625
Graeme Sloan (<i>Non-Executive Director</i>)	800,000	3,016,682
Simon Coyle (<i>Non-Executive Director</i>)	400,000	1,213,057

Assuming that Resolution 10(a) to (d) (inclusive) are approved by Shareholders, all of the Director Options are issued, vested and exercised into Shares, and no other Equity Securities are issued or exercised (including any existing Options held by the Directors as at the date of this Notice), the interests of each of the Directors in the Company would (based on the Share capital as at the date of this Notice) be as follows:

- (i) Paul Adams would approximately 1.62% of the Company's issued Share capital;
- (ii) Graeme Sloan would hold approximately 1.28% of the Company's issued Share capital;
- (iii) Luke Reinehr would hold approximately 1.20% of the Company's issued Share capital; and
- (iv) Simon Coyle would hold approximately 0.94% of the Company's issued Share capital.

(g) **Dilution**

The issue of the Director Options will have a diluting effect on the percentage interest of existing Shareholders' holdings if the Director Options vest and are exercised. The potential dilution if all Director Options vest and are exercised into Shares is 3.18%. This figure assumes the current Share capital structure as at the date of this Notice and that no Shares are issued other than the Shares issued on exercise of the Director Options.

The exercise of all of the Director Options will result in a total dilution of all other Shareholders' holdings of 2.79% on a fully diluted basis (assuming that all other Securities are exercised). The actual dilution will depend on the extent that additional Shares are issued by the Company.

(h) **Trading history**

The highest and lowest closing market sale prices of the Shares on ASX during the 12 months prior to the date of this Notice were:

Highest: \$0.76 per Share on 10 January 2024

Lowest: \$0.115 per Share on 26 September and 2 October 2024

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.185 per Share on 14 October 2024.

(i) **Corporate governance**

Paul Adams is an Executive Director of the Company and therefore the Board (other than Paul Adams) believe that the grant of those Director Options to Paul Adams is in line with Recommendation 8.2 of the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**).

The Board notes that the grant of those Director Options to Graeme Sloan, Luke Reinehr and Simon Coyle is in line with Recommendation 8.2 of the Recommendations and that the grant does not affect the independence of Graeme Sloan, Luke Reinehr and Simon Coyle as there are no performance-based milestones attaching to those Director Options.

(j) **Taxation consequences**

There are no material taxation consequences for the Company arising from the issue of the Director Options (including fringe benefits tax).

(k) **Other information**

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 10(a) to (d) (inclusive).

14.7 **Additional information**

Each of Resolution 10(a) to (d) (inclusive) is a separate ordinary resolution.

15. **Resolution 11 – Ratification of issue of Consideration Shares to MEG**

15.1 **General**

On 10 July 2024, the Company issued 485,529 fully paid ordinary shares (**Consideration Shares**) to Mining and Energy Group Pty Ltd (**MEG**) as partial consideration to acquire the tungsten and lithium-caesium-tantalum (**LCT**) mineral rights over tenement EL8958 using the Company's available placement capacity under Listing Rule 7.1.

Resolution 11 seeks Shareholder approval to ratify the issue of 485,529 Consideration Shares for the purposes of Listing Rule 7.4.

15.2 **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 shares it had on issue at the start of that period.

The issue of the Consideration Shares does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's placement capacities under Listing Rule 7.1. This reduces 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 of the Consideration Shares.

Listing Rule 7.4 provides an exception to Listing Rule 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

The effect of Shareholders passing Resolution 11 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 11 is passed, 485,529 Shares will be excluded in calculating the Company's 15% limit in 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 11 is not passed, 485,529 Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 485,529 Equity Securities for the 12-month period following the issue of the Consideration Shares.

15.3 **Summary of MEG Agreement**

The Company, Kalamazoo and MEG entered into a binding term sheet on 14 December 2022 and a letter of variation on 5 March 2024 (the **MEG Agreement**) pursuant to which the Company paid a \$50,000 non-refundable option fee and in return was granted the option to acquire a 100% interest in MEG's right to explore, mine and treat tin-tungsten and LCT minerals on EL8958 (**EL8958 Option**). The EL8958 Option was exercisable by providing notice to MEG prior to 3 March 2024 (**Option Expiry Date**) and issuing \$225,000 in Kali Shares on or before 10 July 2024 based on the volume weighted average price of Kali Shares over the 30 trading days immediately prior to the Option Expiry Date.

As announced on 7 March 2024, the Company exercised the EL8958 Option and subsequently issued the Consideration Shares on 10 July 2024.

Specific information required by Listing Rule 7.4

In accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Consideration Shares:

- (a) The Consideration Shares were issued to MEG.
- (b) A total of 485,529 MEG Shares were issued without Shareholder approval using the Company's Listing Rule 7.1 capacity.
- (c) The Consideration Shares are fully paid and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Consideration Shares were issued on 10 July 2024.

- (e) The Consideration Shares were issued as partial consideration to acquire the EL8958 Rights. Accordingly, no funds were raised as a result of their issue.
- (f) A summary of the material terms of the MEG Agreement is in Section 15.3 above.
- (g) A voting exclusion statement is included in the Notice.

15.4 **Additional information**

Resolution 11 is an ordinary Resolution.

The Board recommends that Shareholders vote in favour of Resolution 11.

Schedule 1 Definitions

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

\$ or A\$	means Australian Dollars.
10% Placement Facility	has the meaning in Section 10.1.
10% Placement Period	has the meaning in Section 10.2(f).
Annual Report	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2024.
ASX	means the ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Auditor's Report	means the auditor's report contained in the Annual Report.
AWST	means Australian Western Standard Time, being the time in Perth, Western Australia.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Company	means Kali Metals Limited (ACN 653 279 371).
Consideration Shares	has the meaning in Section 15.1.
Constitution	means the constitution of the Company, as amended.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth), as amended.
Director	means a director of the Company.
Director Options	has the meaning in Section 14.1.
Directors' Report	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
EL8958 Rights	has the meaning in Section 15.3.
Equity Security	has the same meaning as in the Listing Rules.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Financial Report	means the financial report contained in the Annual Report.
JORC 2012	means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.
Kalamazoo	has the meaning in Section 6.2.

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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.
LCT	has the meaning in Section 15.1.
Listing Rules	means the listing rules of ASX.
MD Performance Rights	has the meaning in Section 13.1.
Meeting	has the meaning given in the introductory paragraph of the Notice.
MEG	has the meaning in Section 15.1.
MEG Agreement	has the meaning in Section 15.3.
Minimum Issue Price	has the meaning in Section 10.2(e).
Notice	means this notice of annual general meeting.
Option	means a right, subject to certain terms and conditions, to acquire a Share.
Performance Right	means a right, subject to certain terms and conditions, to acquire a Share on the satisfaction (or waiver) of certain performance conditions.
Plan	has the meaning given at Section 11.1.
Plan	means the Company's Employee Securities Incentive Plan
Proxy Form	means the proxy form provided with the Notice.
Remuneration Report	means the remuneration report contained in the Annual Report.
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, Options and/or Performance Rights).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Strike	has the meaning in Section 5.1.

Trading Day

has the same meaning as in the Listing Rules.

VWAP

means the volume weighted average price of trading in Shares on the ASX market over the relevant period, excluding block trades, large portfolio trades, permitted trades during the pre-trading hours period, permitted trades during the post-trading hours period, out of hours trades and exchange traded option exercises.

Schedule 2 Nomination of Auditor

15 October 2024

The Board of Directors
Kali Metals Limited
Ground Floor East
34 Colin St
West Perth WA 6005

Dear Directors

Nomination of Auditor

In accordance with the provision of section 328B(1) of the *Corporations Act 2001* (Cth) (**Act**), I, Nicholas Madders, being a shareholder of Kali Metals Limited (**Company**), hereby nominate BDO Audit Pty Ltd 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 Act.

Yours sincerely



Nicholas Madders

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Schedule 3 Material Terms of the Plan

The following is a summary of the material terms and conditions of the Plan, which the Company established to assist in the motivation, retention and reward of certain employees and Directors engaged by the Company or any of its subsidiaries (**Participants**):

- (a) (**Eligibility**): Offers may be made at the Company's discretion to Directors, employees (including executives), contractor, casual employee, officers or any other person the Company may determine to be eligible to receive a grant under the Plan.
- (b) (**Vesting**): Vesting of the Performance Rights, Options or Shares issued under the Plan to each Participant may be subject to vesting or performance conditions specified in the offer document for each grant and determined by the Company. Subject to the Plan and the terms of an offer document, an offer of Performance Rights, Options or Shares may lapse or be forfeited if such performance or vesting conditions are not satisfied. A Participant is required to pay any exercise price applicable on the exercise of an Option.
- (c) (**Types of securities**): The Company may grant Performance Rights, Options and/or Shares as incentives, subject to the terms and conditions of each individual offer:
 - (a) A holder of a Performance Right will be entitled to receive Shares to the satisfaction of applicable performance and vesting conditions (if applicable).
 - (b) A holder of an Option will be entitled to receive Shares upon satisfaction or applicable conditions and payment of an exercise price (determined at the time of being granted).
 - (c) Shares offered may be subject to dealing restrictions, vesting conditions or other restrictions or conditions.

Unless otherwise specified in an offer document, the Company has the discretion to settle any Performance Rights or Options with cash equivalent payment.

- (d) (**Offers under the Plan Rules**): Subject to any requirements for Shareholder approval or any applicable laws, the Company may make offers at its absolute discretion under the Plan. The Board will have the discretion to set the terms and conditions of each incentive offer it intends to make eligible participants.
- (e) (**Issue Price, Exercise Price, Vesting Period and Expiry Date**): The Board will determine the issue price and/or exercise price (if applicable), vesting period and expiry date for each grant of Performance Rights, Options or Shares allocated under the Plan.
- (f) (**Cessation of employment**): Under the Plan, the Board has broad discretion in relation to the treatment of entitlements on cessation of employment.
- (g) (**Clawback and avoiding inappropriate benefits**): The Plan provide the Board with broad clawback powers if, for example, the Participant has acted fraudulently or dishonestly or there is a material financial misstatement.
- (h) (**Change of Control**): If a change of control event occurs, Performance Rights, Options or Shares allocated under the Plan will vest and become immediately exercisable with such vesting deemed to have taken place immediately prior to the effective date of the change of control event.

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Schedule 4 Terms and Conditions of the MD Performance Rights

The terms and conditions of the MD Performance Rights are as follows:

1. **(Entitlement):** Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder to the issue of one fully paid ordinary share in the capital of the Company (**Share**).
2. **(Issue Price):** The Performance Rights are issued for nil cash consideration.
3. **(Vesting Conditions):** Subject to the terms and conditions set out below, the Performance Rights will have the vesting conditions (**Vesting Condition**) specified below:

Class	Number	Vesting Condition	Expiry date
Class A	600,000	The Company announces a JORC 2012 compliant indicated resource estimate of an aggregate of at least 10 Mt of lithium ore at a minimum grade of 1% Li ₂ O across any of its projects by 28 June 2026.	28 June 2026
Class B	600,000	The Company announces a JORC 2012 compliant indicated resource estimate of an aggregate of at least 30 Mt of lithium ore at a minimum grade of 1% Li ₂ O by 28 June 2028.	28 June 2028

4. **(Vesting):** Subject to the satisfaction of the Vesting Condition or the Vesting Condition being waived in accordance with the Plan, the Company will notify the Holder in writing (**Vesting Notice**) within 3 Business Days of becoming aware that the relevant Vesting Condition has been satisfied.
5. **(Expiry Date):** The Performance Rights will expire and lapse on the first to occur of the following:
 - (a) the Vesting Condition becoming incapable of satisfaction due to the cessation of employment of the holder with the Company (or any of its subsidiary entities) (subject to the exercise of the Board’s discretion under the Plan); and
 - (b) 5.00pm on the date specified in clause 3,**(Expiry Date).**
6. **(Exercise):** At any time between receipt of a Vesting Notice and the Expiry Date (as defined in clause 5 above), the holder may apply to exercise Performance Rights by delivering a signed notice of exercise to the Company Secretary. The holder is not required to pay a fee to exercise the Performance Rights.

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7. **(Issue of Shares):** As soon as practicable and in any event within 5 business days after the valid exercise of a vested Performance Right, the Company will:
 - (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
 - (b) issue a substitute Certificate for any remaining unexercised Performance Rights held by the holder;
 - (c) if required, and subject to clause 8, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.
8. **(Restrictions on transfer of Shares):** If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of the Performance Rights 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. The Company is authorised by the holder to apply a holding lock on the relevant Shares during the period of such restriction from trading.
9. **(Ranking):** All Shares issued upon the conversion of Performance Rights will upon issue rank equally in all respects with other Shares.
10. **(Transferability of the Performance Rights):** The Performance Rights are not transferable, except with the prior written approval of the Company at its sole discretion and subject to compliance with the Corporations Act and Listing Rules.
11. **(Dividend rights):** A Performance Right does not entitle the holder to any dividends.
12. **(Voting rights):** A Performance Right does not entitle the holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.
13. **(Quotation of the Performance Rights)** The Company will not apply for quotation of the Performance Rights on any securities exchange.
14. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Performance Rights holder will be varied in accordance with the Listing Rules.
15. **(Entitlements and bonus issues):** Subject to the rights under clause 16, holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.
16. **(Bonus issues):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), the number of Shares which must be issued on the exercise of a vested Performance Right will be increased by the number of Shares

which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.

17. **(Return of capital rights):** The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
18. **(Rights on winding up):** The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.
19. **(Takeovers prohibition):**
 - (a) the issue of Shares on exercise of the Performance Rights is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
 - (b) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Performance Rights.
20. **(No other rights):** A Performance Right does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
21. **(Amendments required by ASX):** The terms of the Performance Rights may be amended as considered necessary by the Board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the holder are not diminished or terminated.
22. **(Plan):** The Performance Rights are issued pursuant to and are subject to the Plan. In the event of conflict between a provision of these terms and conditions and the Plan, these terms and conditions prevail to the extent of that conflict.
23. **(Constitution):** Upon the issue of the Shares on exercise of the Performance Rights, the holder will be bound by the Company's Constitution.

Schedule 5 Valuation of the MD Performance Rights

The MD Performance Rights have been valued according to a Black-Scholes valuation model on the following assumptions:

Director	Class A	Class B
Number of Performance Rights	600,000	600,000
Assumed Share price at grant date	\$0.125	\$0.125
Exercise price	Nil	Nil
Expiry	5 years	5 years
Volatility	100%	100%
Risk free interest rate	3.551%	3.551%
Annualised dividend yield	0%	0%
Value of each Performance Right	\$0.125	\$0.125
Aggregate value of Performance Rights	\$75,000	\$75,000

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Schedule 6 Terms and Conditions of the Director Options

The terms and conditions of the Director Options are as follows:

1. **(Entitlement)**: Subject to the terms and conditions set out below, each Option entitles the holder to the issue of one fully paid ordinary share in the capital of the Company (**Share**).
2. **(Issue Price)**: The Options are issued for nil cash consideration.
3. **(Exercise Price)**: The Options are exercisable at the following exercise prices:
 - (a) Tranche 1 Director Options are exercisable at \$0.243 each; and
 - (b) Tranche 2 Director Options are exercisable at \$0.324 each.
4. **(Expiry Date)**: Each Option will expire at 5.00pm (AWST) on the date 3 years after the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
5. **(Exercise Period)**: The Options are exercisable at any time and from time to time on or prior to the Expiry Date.
6. **(Notice of Exercise)**: The Options may be exercised 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.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at 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**).
7. **(Issue of Shares)**: As soon as practicable after the valid exercise of an Option, the Company will:
 - (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
 - (b) issue a substitute Certificate for any remaining unexercised Options held by the holder;
 - (c) if required, and subject to clause 8, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.
8. **(Restrictions on transfer of Shares)**: If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of the Options 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. The Company

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is authorised by the holder to apply a holding lock on the relevant Shares during the period of such restriction from trading.

9. **(Ranking)**: All Shares issued upon the exercise of Options will upon issue rank equally in all respects with other Shares.
10. **(Transferability of the Options)**: The Options are not transferable, except with the prior written approval of the Company at its sole discretion and subject to compliance with the Corporations Act and Listing Rules.
11. **(Dividend rights)**: An Option does not entitle the holder to any dividends.
12. **(Voting rights)**: An Option does not entitle the holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.
13. **(Quotation of the Options)**: The Company will not apply for quotation of the Options on any securities exchange.
14. **(Adjustments for reorganisation)**: If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.
15. **(Entitlements and bonus issues)**: Subject to the rights under clause 16, holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.
16. **(Adjustment for bonus issues of Shares)**: If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (b) no change will be made to the Exercise Price.
17. **(Return of capital rights)**: The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
18. **(Rights on winding up)**: The Options have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.
19. **(Takeovers prohibition)**:
 - (a) the issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
 - (b) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.

20. **(No other rights)** An Option does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
21. **(Amendments required by ASX)** The terms of the Options may be amended as considered necessary by the Board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the holder are not diminished or terminated.
22. **(Plan)** The Options are issued pursuant to and are subject to the Plan. In the event of conflict between a provision of these terms and conditions and the Plan, these terms and conditions prevail to the extent of that conflict.
23. **(Constitution)** Upon the issue of the Shares on exercise of the Options, the holder will be bound by the Company's Constitution.

Schedule 7 Valuation of the Director Options

The Director Options have been valued according to a Black-Scholes valuation model on the following assumptions:

Director	Luke Reinehr	Paul Adams	Graeme Sloan	Simon Coyle
Tranche 1 Director Options				
Number of Options	750,000	625,000	500,000	500,000
Assumed Share price at grant date	\$0.125	\$0.125	\$0.125	\$0.125
Exercise price	\$0.243	\$0.243	\$0.243	\$0.243
Expiry	3 years	3 years	3 years	3 years
Volatility	100%	100%	100%	100%
Risk free interest rate	3.551%	3.551%	3.551%	3.551%
Annualised dividend yield	0%	0%	0%	0%
Value of each Tranche 1 Director Option	\$0.063	\$0.063	\$0.063	\$0.063
Aggregate value of Tranche 1 Director Options	\$47,025	\$39,188	\$31,350	\$31,350
Tranche 2 Director Options				
Number of Options	750,000	625,000	500,000	500,000
Assumed Share price at grant date	\$0.125	\$0.125	\$0.125	\$0.125
Exercise price	\$0.324	\$0.324	\$0.324	\$0.324
Expiry	3 years	3 years	3 years	3 years
Volatility	0%	0%	0%	0%
Risk free interest rate	3.551%	3.551%	3.551%	3.551%
Annualised dividend yield	0%	0%	0%	0%
Value of each Tranche 2 Director Option	\$0.0553	\$0.0553	\$0.0553	\$0.0553

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Aggregate value of Tranche 2 Director Options	\$41,489	\$34,575	\$27,660	\$27,660
Total value of Director Options	\$88,515	\$73,763	\$59,010	\$59,010