



Metalsearch

ABN 29 137 984 297

Notice of Annual General Meeting
Explanatory Statement
and
Proxy Form

Date of Meeting

Friday, 27 November 2020

Time of Meeting

1.00 pm (AEDST)

Place of Meeting

The AGM will be conducted as a virtual meeting, accessible online

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

IMPORTANT INFORMATION REGARDING COVID-19: Due to the COVID-19 pandemic, the AGM will be held as a virtual meeting. If you wish to virtually attend the AGM, please pre-register in advance for the virtual meeting here:

https://us02web.zoom.us/webinar/register/WN_04ApjjDRS-KagXmg8-dQGQ

Shareholders are also strongly encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

On 5 May 2020, the Commonwealth Treasurer introduced temporary modifications to the *Corporations Act 2001* (Cth) to allow the Notice of Meeting and other information regarding the AGM to be provided electronically and to allow shareholders to participate in the AGM using the online facility which facilitates direct voting and questions.

This Notice of Meeting can be accessed on the Company's website at www.metalsearch.com.au

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Important Information for Shareholders about the Company's 2020 AGM

Given the uncertainty surrounding the COVID-19 pandemic, by the time this Notice is received by Shareholders, circumstances may have changed, however, this Notice is given based on circumstances as at 11 September 2020.

Accordingly, should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at www.metalsearch.com.au. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Given the significant health concerns attributed to the COVID-19 pandemic, in addition to guidelines and restrictions issued by Australian state and federal governments, the Company considers that it is appropriate to hold the 2020 AGM as a virtual meeting, in a manner that is consistent with the temporary modifications to the Corporations Act 2001 (Cth) introduced by the Commonwealth Treasurer.

Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 1:00pm (AEDST) on 27 November 2020 as a virtual meeting.

If you are a shareholder and you wish to virtually attend the AGM (which will be broadcast as a live webinar), please pre-register in advance for the virtual meeting here:

https://us02web.zoom.us/webinar/register/WN_O4ApjiDRS-KagXmg8-dQGQ

After registering, you will receive a confirmation containing information on how to attend the virtual meeting on the day of the AGM.

Shareholders will be able to vote and ask questions at the virtual meeting.

Shareholders are also encouraged to submit questions in advance of the Meeting to the Company.

Questions must be submitted in writing to info@metalsearch.com.au at least 48 hours before the AGM.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

Your vote is important

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

Voting virtually at the Meeting

Shareholders who wish to vote virtually on the day of the AGM will need to login to the Automic website (<https://investor.automic.com.au/#/home>) with their username and password.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account as soon as possible and well in advance of the Meeting to avoid any delays on the day of the Meeting.

How do I create an account with Automic?

To create an account with Automic, please go to the Automic website (<https://investor.automic.com.au/#/home>), click on 'register' and follow the steps. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

I have an account with Automic, what are the next steps?

Shareholders who have an existing account with Automic (Note: *with a username and password*) are advised to take the following steps to attend and vote virtually on the day of the AGM:

1. Login to the Automic website (<https://investor.automic.com.au/#/home>) using your *username and password*.
2. **(Registration on the day)** If registration for the virtual meeting is open, click on 'Meeting open for registration' and follow the steps.
3. **(Live voting on the day)** If live voting for the virtual meeting is open, click on 'Meeting open for voting' and follow the steps.

Voting by proxy

To vote by proxy, please use one of the following methods:

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgment facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.
By post	Automic, GPO Box 5193, Sydney NSW 2001
By hand	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Metasearch Limited (**Metasearch** or the **Company**) will be held on Friday, 27 November 2020, commencing at 1.00pm (AEDST) as a **virtual meeting**.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of Meeting.

AGENDA

ORDINARY BUSINESS

Accounts and Reports

To receive and consider the annual financial report for the financial year ended 30 June 2020, together with the reports by directors and auditors thereon.

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

Resolution 1: Adoption of Remuneration Report

That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Company's 2020 Annual Report for the financial year ended 30 June 2020 be adopted.

Note: *The vote on this resolution is advisory only and does not bind the directors of the Company.*

Voting Exclusion Statement:

Pursuant to section 250R(4) of the Corporations Act, the Company is required to disregard any votes cast on Resolution 1 (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member (together "prohibited persons").

However, the Company will not disregard a vote if:

- (c) the prohibited person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (d) the vote is not cast on behalf of a prohibited person.

Resolution 2: Re-election of Director (Mr R Downey)

That Mr Robert Downey, being a Director of the Company who retires by rotation in accordance with Clause 6.3 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company.

Resolution 3: Re-election of Director (Ms S Tulloch)

That for the purposes of clause 6.3 of the Constitution and for all other purposes, Ms Sylvia Tulloch, a Director, having been appointed on 7 July 2020 and holding office until this annual general meeting, and being eligible, is re-elected as a Director.

Resolution 4: Re-election of Director (Mr P Zardo)

That for the purposes of clause 6.3 of the Constitution and for all other purposes, Mr Peter Zardo, a Director, having been appointed on 7 July 2020 and holding office until this annual general meeting, and being eligible, is re-elected as a Director.

SPECIAL BUSINESS

Resolution 5: Ratification of Prior Issue of Shares (6 April 2020)

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

That, for the purpose of Listing Rule 7.4 and for all other purposes, shareholders ratify the prior issue by the Company of 92,307,692 Shares to Uniquet Pty Ltd on the terms and conditions set out in the Explanatory Statement.

Voting Exclusion:

The Company will disregard any votes cast in favour of this resolution by or on behalf of Uniquet Pty Ltd and any of their associates.

However, the Company need not disregard a vote cast in favour of this Resolution if it cast by:

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

Resolution 6: Ratification of Prior Issue of Performance Rights and Options (6 April 2020)

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

That, for the purpose of Listing Rule 7.4 and for all other purposes, shareholders ratify the prior issue by the Company of:

- 10,000,000 Class C Performance Rights;
- 10,000,000 Class D Performance Rights;
- 10,000,000 Class E Performance Rights;
- 10,000,000 Class F Performance Rights;
- 10,000,000 Class G Performance Rights; and
- 20,000,000 Options,

to Mr Peter Zardo on the terms and conditions set out in the Explanatory Statement.

Voting Exclusion:

The Company will disregard any votes cast in favour of this resolution by or on behalf of Mr Peter Zardo and any of his associates.

However, the Company need not disregard a vote cast in favour of this Resolution if it cast by:

- (d) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (e) the Chair as proxy or attorney for a person who is entitled to vote of the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (f) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (iii) 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
 - (iv) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 7: Ratification of Prior Issue of Shares (28 July 2020)

To consider and, if thought fit, to pass the following resolutions as separate and independent **ordinary resolutions**:

- (a) *That, for the purpose of Listing Rule 7.4 and for all other purposes, shareholders ratify the prior issue by the Company of 11,576,000 Shares pursuant to Listing Rule 7.1 to the parties and on the terms and conditions set out in the Explanatory Statement.*
- (b) *That, for the purpose of Listing Rule 7.4 and for all other purposes, shareholders ratify the prior issue by the Company of 115,924,000 Shares pursuant to Listing Rule 7.1A to the parties and on the terms and conditions set out in the Explanatory Statement.*

Voting Exclusion:

The Company will disregard any votes cast in favour of these resolutions by a person who participated in the issues and any associates of those persons.

However, the Company need not disregard a vote cast in favour of these Resolution if it cast by:

- (g) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (h) the Chair as proxy or attorney for a person who is entitled to vote of the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (i) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (v) 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
 - (vi) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 8: Approval of 10% Placement Capacity

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

That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the Shares on issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities) if the Resolution is passed or any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 9: Adoption of Metasearch Incentive Share Plan

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

That, for the purposes of Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to adopt the Metasearch Incentive Share Plan on the terms and conditions summarised in the accompanying Explanatory Statement.

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) or any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

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 this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 10: Issue of Director Incentive Shares and Approval of Loan to Related Party – Mr Peter Zardo

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

That, subject to the passing of Resolution 9, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 20,000,000 Shares as Director incentive remuneration to Mr Peter Zardo (or his nominee) on the terms and conditions set out in the Explanatory Statement.

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors (**Resolution 10 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

Provided the Chair is not a Resolution 10 Excluded Party, the above prohibition does not apply if:

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

Resolution 11: Change of Company Name

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

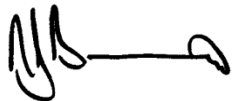
That, for the purpose of section 157(1)(a) of the Corporations Act 2001 and for all other purposes, approval is given for the name of the Company to be changed to Zeotech Limited.

Voting at General Meeting

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 5.00pm (AEDST) on 25 November 2020. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the general meeting.

Proxy and Voting Entitlement Instructions are included on the Proxy Form accompanying this Notice of Meeting.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'N J Bassett', with a horizontal line extending to the right.

N J Bassett
Company Secretary
11 September 2020

EXPLANATORY STATEMENT

1. INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders of Metasearch Limited (“the Company”) in connection with the business to be conducted at the annual general meeting of Shareholders to be held on Friday, 27 November 2020 at 1.00pm (AEDST) as a **virtual meeting**.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

2. 2020 ANNUAL REPORT

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Director’s Report, the Remuneration Report and the Auditor’s Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company’s Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company’s Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at www.metasearch.com.au.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company’s auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor’s Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

Written questions of the auditor

If you would like to submit a written question about the content of the Auditor’s Report or the conduct of the audit of the Annual Financial Report of the Company’s auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, which is by 20 November 2020

3. ADOPTION OF REMUNERATION REPORT – Resolution 1

3.1 General

Pursuant to section 250R(2) of the Corporations Act, the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors’ Report for the year ended 30 June 2020 contains the Remuneration Report which sets out the remuneration policy for the Company and reports on the remuneration arrangements in place for the Directors and Key Management Personnel.

Resolution 1 is advisory only and does not bind the Directors of the Company. Of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

3.2 Voting consequences

If at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report in two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**) at the second annual general meeting.

If more than 50% of shareholders vote in favour of the Spill Resolution, the company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

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

4. RE-ELECTION OF DIRECTOR – Resolution 2

Resolution 2 relates to the re-election of Mr Robert Downey as a Director.

In accordance with the requirements of clause 6.3 of the Company's Constitution and the Corporations Act, one-third of the directors of the Company retire from office at this annual general meeting of the Company. Mr Robert Downey retires by rotation and, being eligible, offers himself for re-election.

A summary of the qualifications and experience of Mr Downey is provided in the Annual Report.

All the Directors, except for Mr Downey, recommend that Shareholders vote in favour of Resolution 2.

5. RE-ELECTION OF DIRECTOR – Resolution 3

Resolution 3 relates to the re-election of Ms Sylvia Tulloch as a Director.

Clause 6.3 of the Constitution requires that any person appointed to fill a casual vacancy or as an addition to the existing Directors only holds office until the next annual general meeting and is then eligible for re-election.

Ms Tulloch was appointed as a director on 7 July 2020.

A summary of the qualifications and experience of Ms Tulloch is provided in the Annual Report.

All the Directors, except for Ms Tulloch, recommend that Shareholders vote in favour of Resolution 3.

6. RE-ELECTION OF DIRECTOR – Resolution 4

Resolution 4 relates to the re-election of Mr Peter Zardo as a Director.

Clause 6.3 of the Constitution requires that any person appointed to fill a casual vacancy or as an addition to the existing Directors only holds office until the next annual general meeting and is then eligible for re-election.

Mr Zardo was appointed as a director on 7 July 2020.

A summary of the qualifications and experience of Mr Zardo is provided in the Annual Report.

All the Directors, except for Mr Zardo, recommend that Shareholders vote in favour of Resolution 4.

7. RATIFICATION OF PRIOR ISSUE OF SHARES (6 APRIL 2020) – Resolution 5

7.1 General

On 6 April 2020 the Company issued 92,307,692 Shares to Uniquet Pty Ltd in consideration for an exclusive worldwide licence for the manufacturing (synthesising) of zeolites (*refer ASX announcement dated 7 April 2020 titled “Exclusive global Licence Agreement to produce Synthetic Zeolite”*)

The Company issued the Shares utilising its 15% share issue capacity (see Section 7.2 for more information on Listing Rule 7.1 and the 15% share issue capacity). By doing so, the Company’s capacity to issue further equity securities without Shareholder approval within those limits was accordingly reduced.

Resolution 5 seeks Shareholder approval for the prior issue of the Shares to Uniquet Pty Ltd. It is proposed as an ordinary resolution and will be passed if more than 50% of the votes cast by Shareholders entitled to vote are in favour of the Resolution.

7.2 Listing Rules 7.1 and 7.4

Subject to a number of exceptions, in general terms, Listing Rule 7.1 limits the number of Equity Securities (for example, shares, options and convertible notes) that a listed company may issue or agree to issue without shareholder approval in any 12 month period to 15% of its issued ordinary shares (15% share issue capacity).

Listing Rule 7.4 provides that where an entity 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 under Listing Rule 7.1, thereby “refreshing” the Company’s capacity under Listing Rule 7.1.

By ratifying this previous issue, the Company will retain the flexibility to issue equity securities in the future within the limits of Listing Rules 7.1 up to its 15% capacity, without needing to seek further Shareholder approval. If Resolution 5 is not passed, the Company’s ability to issue new securities without shareholder approval will be restricted until the previous issue is ratified at a subsequent meeting or 12 months from the date of issue of the Shares.

Accordingly, Resolution 5 seeks shareholder approval to allow the Company to refresh its 15% share issue capacity.

7.3 Specific Information required by Listing Rule 7.5

The following information is provided for the purposes of Listing Rule 7.5:

- (a) 92,307,692 Shares were issued under the Company’s Listing Rule 7.1 (15%) capacity on 6 April 2020;
- (b) The Shares were issued for nil cash consideration as they were issued as the consideration for the acquisition of an exclusive worldwide licence for the manufacturing (synthesising) of zeolites.
- (c) The Shares rank equally with all other Shares on issue in the Company.
- (d) The Shares were issued to Uniquet Pty Ltd. Uniquet Pty Ltd is not a related party of the Company.
- (e) No funds were raised from the issue.

A voting exclusion statement is included in the Notice.

7.4 Directors’ Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 5.

8. RATIFICATION OF PRIOR ISSUE OF OPTIONS AND PERFORMANCE RIGHTS (6 APRIL 2020) – Resolution 6

8.1 General

On 7 April 2020, the Company announced the appointment of Mr Peter Zardo as Chief Operating Officer (**COO**). Pursuant to the terms of Mr Zardo's employment agreement, Mr Zardo was issued the following service and performance incentive securities:

- 10,000,000 Class C Performance Rights;
- 10,000,000 Class D Performance Rights;
- 10,000,000 Class E Performance Rights;
- 10,000,000 Class F Performance Rights;
- 10,000,000 Class G Performance Rights; and
- 20,000,000 Options.

The Company issued the Shares utilising its 15% share issue capacity (see Section 8.2 for more information on Listing Rule 7.1 and the 15% share issue capacity). By doing so, the Company's capacity to issue further equity securities without Shareholder approval within those limits was accordingly reduced.

Resolution 6 seeks Shareholder approval for the prior issue of the abovementioned securities to Mr Zardo. It is proposed as an ordinary resolution and will be passed if more than 50% of the votes cast by Shareholders entitled to vote are in favour of the Resolution.

8.2 Listing Rules 7.1 and 7.4

Subject to a number of exceptions, in general terms, Listing Rule 7.1 limits the number of Equity Securities (for example, shares, options and convertible notes) that a listed company may issue or agree to issue without shareholder approval in any 12 month period to 15% of its issued ordinary shares (15% share issue capacity).

Listing Rule 7.4 provides that where an entity 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 under Listing Rule 7.1, thereby "refreshing" the Company's capacity under Listing Rule 7.1.

By ratifying these previous issues, the Company will retain the flexibility to issue equity securities in the future within the limits of Listing Rules 7.1 up to its 15% capacity, without needing to seek further Shareholder approval. If Resolution 6 is not passed, the Company's ability to issue new securities without shareholder approval will be restricted until the previous issue is ratified at a subsequent meeting or 12 months from the date of issue of the Shares.

Accordingly, Resolution 6 seek shareholder approval to allow the Company to refresh its 15% share issue capacity.

8.3 Specific Information required by Listing Rule 7.5

The following information is provided for the purposes of Listing Rule 7.5:

- (a) The Performance Rights and Options were issued to Mr Peter Zardo, the COO of the Company;
- (b) The Company issued:
 - (i) 10,000,000 Class C Performance Rights;
 - (ii) 10,000,000 Class D Performance Rights;
 - (iii) 10,000,000 Class E Performance Rights;
 - (iv) 10,000,000 Class F Performance Rights;

- (v) 10,000,000 Class G Performance Rights; and
 - (vi) 20,000,000 Options.
- (c) A summary of the material terms and conditions of the Performance Rights and Options are set out in Schedules 2 to 7;
 - (d) No application for quotation of the Performance Rights or Options will be made by the Company;
 - (e) Shares issued on the conversion of the Performance Rights or Options will rank equally with the then Shares on issue in the Company.
 - (f) The Performance Rights and Options were issued on 6 April 2020.
 - (g) The Performance Rights and Options were issued for nil consideration
 - (h) No funds were raised from the issue of the Performance Rights and Options as they were issued as part of Mr Zardo's remuneration and pursuant to the terms of engagement as COO of the Company, upon his appointment on 6 April 2020.

A voting exclusion statement is included in the Notice.

8.4 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 6.

9. RATIFICATION OF PRIOR ISSUE OF SHARES (28 JULY 2020) – Resolution 7

9.1 General

On 28 July 2020, the Company issued 127,500,000 Shares to sophisticated investors at an issue price of \$0.013 per Share to raise \$1,657,500, as announced on 28 July 2020.

The Company issued a portion of the Shares utilising the 10% annual limit set out in Listing Rule 7.1A (described below) and the balance of the Shares utilising the 15% annual limit set out in Listing Rule 7.1 (also described below). By issuing those Shares utilising these rules, the Company's capacity to issue further equity securities without Shareholder approval within those limits was accordingly reduced.

Resolutions 7(a) and 7(b) seek Shareholder approval for the prior issue of the Shares to the places noted below. They are proposed as ordinary resolutions and will be passed if more than 50% of the votes cast by Shareholders entitled to vote are in favour of each of the Resolutions.

9.2 Listing Rules 7.1, 7.1A and 7.4

Subject to a number of exceptions, in general terms, Listing Rule 7.1 limits the number of Equity Securities (for example, shares, options and convertible notes) that a listed company may issue or agree to issue without shareholder approval in any 12 month period to 15% of its issued ordinary shares (15% share issue capacity).

Listing Rule 7.1A provides that, in addition to issues permitted without prior shareholder approval under Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in Listing Rule 7.1A (10% capacity). The Company is an eligible entity and sought and received Shareholder approval for its 10% capacity at its Annual General Meeting held on 4 October 2019.

Listing Rule 7.4 provides that where an entity 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 under Listing Rule 7.1, thereby "refreshing" the Company's capacity under Listing Rule 7.1. A note to Listing Rule 7.4 also provides it can also be used to ratify a previous issue of securities made with approval pursuant to Listing Rule 7.1A.

By ratifying these previous issues, the Company will retain the flexibility to issue equity securities in the future within the limits of Listing Rules 7.1 and 7.1A up to its 15% capacity and 10% capacity, respectively, without needing to seek further Shareholder approval. If either Resolution 7(a) and/or Resolution 7(b) are not passed, the Company's ability to issue new securities without shareholder approval will be restricted until the previous issue/s are ratified at a subsequent meeting or 12 months from the date of issue of the Shares.

Accordingly, these resolutions seek shareholder approval to allow the Company to refresh its 15% share issue capacity (Resolution 7(a)) and 10% share issue capacity (Resolution 7(b)).

9.3 Specific Information required by Listing Rule 7.5

The following information is provided for the purposes of Listing Rule 7.5:

- (a) 11,756,000 Shares were issued under the Company's Listing Rule 7.1 (15%) capacity on 28 July 2020;
- (b) 115,924,000 Shares were issued under the Company's Listing Rule 7.1A (10%) capacity on 28 July 2020;
- (c) The Shares were issued at \$0.013 per Share.
- (d) The Shares rank equally with all other Shares on issue in the Company.
- (e) The Shares were issued to non-related party investors, who were "Sophisticated Investors" within the meaning of section 708(8) of the Corporations Act or other investors to whom the Company may issue Shares without a disclosure document pursuant to section 708 of the Corporations Act.
- (f) Funds raised from the capital raising will primarily be applied to:
 - Accelerating commercialisation of the University of Queensland developed mineral processing technology;
 - Further expand research opportunities to enhance and develop diverse commercial applications of the zeolite mineral processing technology; and
 - Progressing the Abercorn Project's (kaolin) industrial mineral marketability program

A voting exclusion statement is included in the Notice.

9.4 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolutions 7(a) and 7(b).

10. APPROVAL OF 10% PLACEMENT CAPACITY – Resolution 8

10.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 8, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 10.2 below).

The effect of Resolution 8 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period

up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 8 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 8 for it to be passed.

10.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation (at the date of this Explanatory Statement) of \$17,927,665.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: MSE).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
 - (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under ASX Listing Rules 7.1 or 7.4; and
 - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

10.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 8:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX 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; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 5.3(a)(i), the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under ASX Listing Rule 7.1A ceases to be valid).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 8 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the number of Equity Securities currently on issue.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Number of Shares issued under 10% Placement Capacity	Funds raised based on issue price of \$0.0065 (50% decrease in issue price)	Funds raised based on issue price of \$0.013 (issue price)	Funds raised based on issue price of \$0.026 (100% increase in issue price)
1,379,051,184 (Current)	137,905,118	\$896,383	\$1,792,767	\$3,585,533
2,068,576,776 (50% increase)	206,857,678	\$1,344,575	\$2,689,150	\$5,378,300
2,758,102,368 (100% increase)	275,810,237	\$1,792,767	\$3,585,533	\$7,171,066

*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip

issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 11 September 2020.
2. The issue price set out above is the last closing price of the Shares on the ASX prior to the date of this Notice.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for commercialisation of the University of Queensland developed mineral processing technology, to further expand research opportunities to enhance and develop diverse commercial applications of the technology, further exploration and evaluation of the company's Abercorn Project, progressing the Abercorn Projects industrial mineral marketability program, and for general working capital; or
- (ii) as non-cash consideration for the acquisition of new assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

(e) Allocation under the 10% Placement Capacity

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to a number of factors, including:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company; and

(v) advice from corporate, financial, and broking advisers (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice but may include existing Shareholders and/or new investors who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Capacity will be the vendors of the new assets or investments.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained approval under ASX Listing Rule 7.1A at its annual general meeting held on 4 October 2019.

In accordance with ASX Listing Rule 7.3A.6, the following information is provided to shareholders regarding the equity securities issued in the previous 12 months preceding the date of the Annual General Meeting.

Listing Rule 7.3A.6(a)

The table below shows the total number of equity securities issued in the previous 12 months preceding the date of the annual general meeting and the percentage that those issues represent of the total number of equity securities on issue at the commencement of that 12 month period.

Total number of equity securities issued in the 12 months preceding the date of the meeting	289,807,692
Percentage that they represent of the total number of equity securities on issue at the commencement of that 12 month period	23.48%

Listing Rule 7.3A.6(b)

The tables below set out specific details for each issue of equity securities that have taken place in the 12 month period prior to the date of the annual general meeting.

Date of issue	6 April 2020
Number issued	92,307,692 fully paid ordinary shares
Summary of terms	Ordinary fully paid shares ranking equally with existing shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Uniquet Pty Ltd
Price	Deemed price of \$0.0065 per share
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	Consideration for grant of Exclusive Licence pursuant to terms of Licence Agreement. Refer ASX announcement 7 April 2020.
Current value of that non-cash consideration	\$1,200,000

Date of issue	6 April 2020
Number issued	50,000,000 Performance Rights
Summary of terms	10,000,000 Class C expiring 6 April 2025 10,000,000 Class D expiring 6 April 2025 10,000,000 Class E expiring 6 April 2025 10,000,000 Class F expiring 6 April 2025 10,000,000 Class G expiring 6 April 2025 Conversion – 1 for 1 Subject to performance milestones. Refer Appendix 3G lodged with ASX dated 7 April 2020.
Names of the persons who received securities or basis on which those persons were determined	Mr Peter Zardo
Price	Nil – Part of remuneration package
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	Incentive as part of remuneration package
Current value of that non-cash consideration	\$650,000 based on current share price and assuming performance conditions satisfied.

Date of issue	6 April 2020
Number issued	20,000,000 Unlisted Options
Summary of terms	Unlisted options exercisable at \$0.015 each on or before 6 April 2024.
Names of the persons who received securities or basis on which those persons were determined	Mr Peter Zardo
Price	Nil – Part of remuneration package
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	Incentive as part of remuneration package
Current value of that non-cash consideration	\$Nil based on exercise price and current share price.

Date of issue	28 July 2020
Number issued	127,500,000 fully paid ordinary shares
Summary of terms	Ordinary fully paid shares ranking equally with existing shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Sophisticated and professional investors
Price	\$0.013 per share
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	\$1,657,500
Amount of cash consideration spent	\$Nil
Use of cash consideration	<p>Proceeds will primarily be applied to:</p> <ul style="list-style-type: none"> • Accelerating commercialisation of the University of Queensland (“UQ”) developed mineral processing technology; • Further expand research opportunities to enhance and develop diverse commercial applications of the Technology; and • Progressing the Abercorn Project’s (kaolin) industrial mineral marketability program; and • for general working capital purposes.
Intended use for remaining amount of cash (if any)	<p>Unspent funds: \$1,657,500</p> <p>Unspent funds will be applied as above.</p>
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

10.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 8.

10.4 Directors’ Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 8

11. ADOPTION OF METALSEARCH INCENTIVE SHARE PLAN – Resolution 9

11.1 Introduction

The Company has introduced a new incentive share scheme which is presented to Shareholders for approval at this General Meeting.

Resolution 9 relates to the Metalsearch Incentive Share Plan (**ISP**), described in more detail below.

The ISP incorporates Share based equity participation (Plan Shares) for eligible participants.

11.2 Background

A summary of the key terms of the ISP is set out in Schedule 1, and a copy of the rules of the ISP is available upon request from the Company.

The purpose of the ISP is to:

- (a) reward directors, employees, and consultants of the Company;
- (b) assist in the retention and motivation of directors, employees, and consultants of the Company; and
- (c) provide an incentive to directors, employees, and consultants of the Company to grow shareholder value by providing them with an opportunity to receive an ownership interest in the Company.

Shareholder approval of the ISP is being sought for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 7.2 (exception 13), so that securities issued in accordance with the ISP will be excluded from the calculation of the maximum number of new securities that can be issued by the Company in any 12 month period (currently 15% of shares previously on issue) for a period of three years from the date of approval.

If this Resolution 9 is approved by Shareholders, it will have the effect of enabling the securities issued by the Company under the ISP to be automatically excluded from the formula to calculate the number of securities which the Company may issue within the 15% in 12 months limit under Listing Rule 7.1 during the next three year period.

This is the first approval sought under Listing Rule 7.2 (exception 13) with respect to the ISP. Accordingly, no securities have previously been issued under the ISP.

Any future issues of securities under the ISP 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 ASX Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking approval under Resolution 9 for the issue of Shares to a Director pursuant to the ISP.

11.3 ISP terms generally

The Company considers that the adoption of the ISP provides the opportunity for the Company to remunerate and incentivise eligible participants (as defined under the ISP) by offering them equity in the Company as part of their remuneration from the Company.

The objective of the ISP is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the ISP and the future issue of Shares under the ISP will provide selected participants with the opportunity to participate in the future growth of the Company.

A material feature of the ISP is the issue of Shares pursuant to the ISP may be undertaken by way of provision of a non-recourse, interest free loan to be used for the purposes of subscribing for the Shares based on an issue price determined by the Board in its absolute discretion, which may be a nominal or nil amount.

11.4 Financial assistance – Part 2J.3 of the Corporations Act

The provision of a loan to a participant under an employee share scheme to fund the acquisition of shares issued under that scheme will constitute “financial assistance” for the purposes of Part 2J.3 of the Corporations Act.

Section 260A of the Corporations Act states that a company may financially assist a person to acquire shares in the company only if:

- (a) giving the assistance does not materially prejudice the interests of the company or its shareholders or the company's ability to pay its creditors;

- (b) the assistance is approved by the shareholders under section 260B; or
- (c) the assistance is exempt under section 260C.

Section 260C(4) provides that financial assistance is exempt from section 260A if it is given under an “employee share scheme” that has been approved by a resolution passed at a general meeting of the company.

The ISP falls within the definition of an “employee share scheme” for the purposes of the Corporations Act. Accordingly, subject to Resolution 9, financial assistance given under the ISP is exempt from the Corporations Act limitations on the giving of financial assistance.

11.5 Security over Plan Shares – section 259B(2) of the Corporations Act

To the extent the Company loans funds to a participant of the Incentive Share Plan to pay the issue price of the Shares, the Shares will comprise security for repayment of the loan.

Under the terms of the Incentive Share Plan, the Company will have a lien over any such Shares in respect of which a loan amount is outstanding and will be entitled to sell those Shares in accordance with the terms of the Incentive Share Plan, in order to recover any amounts owed under a loan.

Section 259B(1) of the Corporations Act prohibits a company from taking security over its own shares, except as permitted by section 259B(2) or (3). Section 259B(2) states that a company may take security over shares in itself under an employee share scheme that has been approved by a resolution passed at a general meeting of a company.

11.6 Directors’ Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 9. As stated in the Notice, any vote cast in favour of this resolution by a Director and their respective associates will be disregarded, except as stated in the Notice.

12. ISSUE OF DIRECTOR INCENTIVE SHARES AND APPROVAL OF LOAN TO RELATED PARTY –Resolution 10

12.1 General

The Company has agreed, subject to obtaining Shareholder approval and to the adoption of the ISP (refer to Resolution 9), to the provision of a non-recourse, interest free loan (**Loan**) to Mr Peter Zardo, pursuant to the ISP, for the purpose of subscribing for 20,000,000 Shares (**Plan Shares**) on the terms and conditions set out below.

Approval of Resolution 10 is being sought for the issue of Plan Shares to Mr Zardo (the **Related Party**).

12.2 Chapter 2E of the Corporations Act

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

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

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

The grant of Plan Shares constitutes giving a financial benefit and Mr Zardo is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Zardo who has a material personal interest in Resolution 10) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Plan Shares because the agreement to grant the Plan Shares, reached as part of the remuneration package for Mr Zardo, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

12.3 ASX Listing Rule 10.14

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

Accordingly, Shareholder approval is sought for the issue of Plan Shares to Mr Zardo.

12.4 Technical information required by Chapter 2E of the Corporations Act and ASX Listing Rule 10.14

Pursuant to and in accordance with the requirements of sections 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed issue of Plan Shares to the Related Party:

- (a) Mr Zardo is the recipient of the Plan Shares and is a related party by virtue of being a Director;
- (b) the maximum amount of the Loan (being the nature of the financial benefit) to be provided to the Related Party (or his nominee) can be calculated by multiplying the number of Shares to be issued (determined in accordance with paragraph (c)) by the issue price (determined in accordance with paragraph (d)). Based on the issue price (ie \$0.015), the amount of the Loan will be \$300,000;
- (c) the maximum number of Shares to be issued is 20,000,000 Shares to Mr Zardo (or his nominee);
- (d) the issue price of the Shares will be \$0.015 per Share;
- (e) no funds will be raised from the issue of the Plan Shares as there will be no change to the Company's cash position (ie the Loan made by the Company will be used to subscribe for the Plan Shares to be issued to the Related Party). Amounts repaid to the Company by the Related Party in the future in satisfaction of the Loan will be used by the Company for general working capital purposes;
- (f) Mr Zardo's current remuneration is \$165,000 base salary per annum plus directors' fees of \$48,000 per annum. Pursuant to Mr Zardo's executive service agreement he has also received the securities more particularly described in section 8.1.
- (g) no Shares have previously been issued under the ISP nor has the ISP previously been adopted by Shareholders;
- (h) all Directors are entitled to participate in the ISP and approval is being sought for an offer to be made to Mr Zardo;
- (i) the Loan will be provided on the following key terms and otherwise subject to the terms and conditions of the Plan, a summary of which is set out in Schedule 1:
 - (i) (non-recourse): the Loan is secured against the Shares but the Related Party is not personally liable for the Loan. In other words, in the event the Shares are sold to repay the Loan but the sale proceeds are insufficient to cover the amount of the Loan which is outstanding the Company cannot recover the remaining amount from the Related Party. Conversely, where the sale proceeds are greater than the amount of the Loan the Company will not receive any additional repayment as the Related Party is entitled to the surplus proceeds;
 - (ii) (interest free): the Loan will be interest free unless otherwise agreed by the Related Party; and

- (iii) (term): 5 years from the date of issue of the Shares subject to earlier repayment in accordance with the terms of the Plan (eg ceasing to be an employee of the Company, an event of insolvency);
- (j) the value of the Loan using the Black & Scholes valuation methodology is \$200,000;
This value is based on the following assumptions:
 - (i) a valuation date of 10 September 2020;
 - (ii) an issue price of \$0.015 per Share and corresponding Loan principal of \$300,000;
 - (iii) a current market price of \$0.013 per Share. Shareholders should also note that the market price of Shares during the term of the Loan will affect the value of the financial benefit provided to the Related Party;
 - (iv) a risk free interest rate of 0.25% per annum;
 - (v) a Loan term of 5 years. Shareholders should note that the actual term of the Loan may be shorter (eg where a Related Party ceases to be an employee of the Company, an event of insolvency occurs in respect of a Related Party, or, a Related Party elects to repay their Loan early). The actual term of the Loan will affect the value of the financial benefit provided to the Related Party; and
 - (vi) a Share price volatility of 103%;
- (k) the Shares will be issued to the Related Party no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date;
- (l) the Shares issued to the Related Party will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares other than being subject to a holding lock until such time as the respective Loan has been extinguished or repaid under the terms of the Plan or 12 months from the date of issue of the Shares, whichever is the greater; and
- (m) Details of the Share issued under the ISP will be published in the Company's annual report 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.

13. CHANGE OF COMPANY NAME – Resolution 11

The Directors have determined to change the Company name to Zeotech Limited to better reflect the nature of the Company's operations and aspirations.

Section 157(1)(a) of the Corporations Act provides that a company may change its name if it passes a special resolution adopting a new name.

Resolution 11 seeks the approval of Shareholders for the Company to change its name to Zeotech Limited.

Resolution 11 is a special resolution.

The proposed name of the Company has been reserved and, if Resolution 11 is passed, the name change of the Company will take effect when ASIC alters the details of the Company's registration.

14. DEFINITIONS

AEDST means Australian Eastern Daylight Standard Time, being the time in Sydney, New South Wales.

ASX means ASX Limited ABN 98 008 624 691.

ASIC means the Australian Securities & Investments Commission.

Class C Performance Right means a right issued on the terms and conditions set out in Schedule 2, as those terms relate to “Class C Performance Rights”.

Class D Performance Right means a right issued on the terms and conditions set out in Schedule 3, as those terms relate to “Class D Performance Rights”.

Class E Performance Right means a right issued on the terms and conditions set out in Schedule 4, as those terms relate to “Class E Performance Rights”.

Class F Performance Right means a right issued on the terms and conditions set out in Schedule 5, as those terms relate to “Class F Performance Rights”.

Class G Performance Right means a right issued on the terms and conditions set out in Schedule 6, as those terms relate to “Class G Performance Rights”.

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

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

Constitution means the Company’s constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means this Explanatory Statement.

ISP means the Metasearch Incentive Share Plan the subject of Resolution 9.

Key Management Personnel means has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Listing Rules means the official listing rules of ASX.

Meeting means the meeting convened by the Notice of Meeting.

Metasearch or the Company means Metasearch Limited ABN 29 137 984 297.

Notice or Notice of Meeting means the notice of annual general meeting which forms part of this Explanatory Statement.

Option means an unlisted option exercisable at \$0.015 each expiring 6 April 2024 and otherwise on the terms and conditions outlined in Schedule 7.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Performance Rights means a right issued on the terms and conditions set out in Schedule 2, 3, 4, 5 and 6, comprising the Class C Performance Rights, Class D Performance Rights, Class E Performance Rights, Class F Performance Rights and Class G Performance Rights,

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2020.

Resolution means a resolution contained in this Notice.

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

Shareholder means a holder of a Share.

WST means Western Standard Time, being the time in Perth, Western Australia.

10% Placement Capacity has the meaning given in Section 10.1 of this Notice.

SCHEDULE 1

SUMMARY OF ISP KEY TERMS AND KEY POLICY SETTINGS

Eligibility: Participants in the ISP may be Directors, full-time and part-time employees of the **Company** or any of its subsidiaries (Participants).

Administration of Plan: The Board is responsible for the operation of the ISP and has a broad discretion to determine which Participants will be offered Shares under the ISP.

Offer: The Board may issue an offer to a Participant to participate in the ISP. The offer:

- will invite application for the number of Shares specified in the offer;
- will specify the issue price for the Shares or the manner in which the Issue Price is to be calculated;
- may invite applications for a loan up to the amount payable in respect of the Shares accepted by the Participant in accordance with the offer;
- will specify any restriction conditions applying to the Shares;
- will specify an acceptance period; and
- specify any other terms and conditions attaching to the Shares.

Issue price: The Issue Price of the Plan Shares offered under an Offer shall be determined by the Board in its absolute discretion, which may be a nominal or nil amount.

Restriction Conditions: Shares may be subject to restriction conditions (such as a period of employment) which must be satisfied before the Shares can be sold, transferred, or encumbered. Shares cannot be sold, transferred or encumbered until any loan in relation to the Shares has been repaid or otherwise discharged under the ISP.

Loan: A Participant who is invited to subscribe for Shares may also be invited to apply for a loan up to the amount payable in respect of the Shares accepted by the Participant (**Loan**), on the following terms:

- the Loan will be interest free;
- the Loan made available to a Participant shall be applied by the Company directly toward payment of the issue price of the Shares;
- the Loan repayment date and the manner for making such payments shall be determined by the Board and set out in the offer;
- a Participant must repay the Loan in full by the loan repayment date but may elect to repay the Loan amount in respect of any or all of the Shares at any time prior to the loan repayment date;
- the Company shall have a lien over the Shares in respect of which a Loan is outstanding and the Company shall be entitled to sell those Shares in accordance with the terms of the ISP; and
- a Loan will be non-recourse except against the Shares held by the Participant to which the Loan relates.

Unfulfilled Restriction Condition: Where a restriction condition in relation to Shares is not satisfied by the due date, or becomes incapable of satisfaction in the opinion of the Board, the Company must, unless the restriction condition is waived by the Board, either:

- buy back and cancel the relevant Shares within 12 months of the date the restriction condition was not satisfied (or became incapable of satisfaction) under Part 2J.1 of the Corporations Act at a price equal to the cash consideration paid by the Participant for the ISP Shares (with any Loan not being treated as cash consideration but any Loan Amount repayments by the Participant being treated as cash consideration); or
- arrange to sell the Shares as soon as reasonably practicable either on the ASX or to an investor who falls within an exemption under section 708 of the Corporations Act provided that the sale must be at a price that is no less than 80% of the volume weighted average price at which Shares were traded on the ASX on the 10 trading days before the sale date and apply the sale proceeds (**Sale Proceeds**) in the following priority:
 - first, to pay the Company any outstanding Loan Amount (if any) in relation to the Shares and the Company's reasonable costs in selling the Shares;
 - second, to the extent the Sale Proceeds are sufficient, to repay the Participant any cash consideration paid by the Participant or Loan Amount repayments (including any cash dividends applied to the Loan Amount) made by or on behalf of the Participant; and
 - lastly, any remainder to the Company to cover its costs of managing the ISP.

Sale of Shares to repay Loan: A Loan shall become repayable in full where:

- the Participant (or, where the Participant is an Associate of an Eligible Employee, the Eligible Employee) ceases to be an Eligible Employee for any reason (including death);
- the Participant suffers an event of insolvency;
- the Participant breaches any condition of the Loan or the ISP; or
- a Restriction Condition in relation to Shares subject to the Loan is not satisfied by the due date, or becomes incapable of satisfaction in the opinion of the Board (and is not waived).
- Where a Loan becomes repayable and at that time a Restriction Condition in relation to Shares subject to the Loan is not satisfied, or is incapable of being satisfied in the opinion of the Board (and is not waived), the Shares must be sold and the Sale Proceeds applied to repay the Loan in accordance the ISP.
- Where a Loan in relation to Shares becomes repayable and at that time Restriction Conditions in relation to the Shares have either been satisfied or are waived, the Company must give the Participant a 30 day period to repay the Loan, failing which the Company must sell the Shares and apply the Sale Proceeds in accordance with the ISP.

Power of Attorney: The Participant irrevocably appoints each of the Company and each director of the Company severally as his or her attorney to do all things necessary to give effect to the sale of the Participant's Shares in accordance with the ISP.

Plan limit: The Company must take reasonable steps to ensure that the number of Shares offered by the Company under the ISP when aggregated with:

- the number of Shares issued during the previous 3 years under the ISP (or any other employee share plan extended only to Eligible Employees); and
- the number of Shares that would be issued if each outstanding offer for Shares (including options to acquire unissued Shares) under any employee incentive scheme of the Company were to be exercised or accepted,

does not exceed 5% of the total number of Shares on issue at the time of an offer (but disregarding any offer of Shares or option to acquire Shares that can be disregarded in accordance with relevant ASIC Class Orders).

Restriction on transfer: Participants may not sell or otherwise deal with a ISP Share until the Loan Amount in respect of that ISP Share has been repaid and any restriction conditions in relation to the Shares have been satisfied or waived. The Company is authorised to impose a holding lock on the Shares to implement this restriction.

Quotation on ASX: The Company will apply for each ISP Share to be admitted to trading on ASX upon issue of the ISP Share. Quotation will be subject to the ASX Listing Rules and any holding lock applying to the Shares.

Rights attaching to Shares: Each ISP Share shall be issued on the same terms and conditions as the Company's issued Shares (other than in respect of transfer restrictions imposed by the ISP) and it will rank equally with all other issued Shares from the issue date except for entitlements which have a record date before the issue date.

SCHEDULE 2

TERMS AND CONDITIONS ON CLASS C PERFORMANCE RIGHTS

- (i) **Conversion on achievement of milestone:** Each Class C Performance Right will automatically convert into one new ordinary fully paid share in Metalsearch Limited on satisfactory achievement of the following condition (**Vesting Condition**):
- On the Pilot Plant Completion Date (as that term is defined in the Licence Agreement between Metalsearch Limited and UniQuest Pty Ltd).
- (ii) **Lapse:** A Performance Right will lapse on the earliest to occur of:
- (a) subject to any automatic vesting in accordance with other terms, if applicable Vesting Condition has not been met; or
 - (b) the expiry date which will be 5:00PM WST on the five year anniversary of the Commencement Date.
- (iii) **Transfer:** The Performance Rights are not transferable.
- (iv) **No voting rights:** The Performance Rights do not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company, subject to any voting rights under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.
- (v) **No dividend rights:** The Performance Rights do not entitle the holder to any dividends.
- (vi) **No rights to return of capital:** The Performance Rights do not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (vii) **Rights on winding up:** Upon the winding up of the Company, the Performance Rights may not participate in the surplus profits or assets of the Company.
- (viii) **Change of Control:** All unvested Performance Rights automatically vest and are automatically exercised on the occurrence of a change of control, subject to the total number of ordinary shares that the Performance Rights A, in aggregate, convert into not being more than 10% of the issued ordinary capital of Metalsearch Limited as at the date of conversion.
- (ix) **Reorganisation:** In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued shares, the number of Performance Rights to which each Performance Rights holder is entitled will be adjusted in the manner provided for in the ASX listing rules applicable at the time the reorganisation comes into effect.
- (x) **No quotation:** The Performance Rights will not be quoted on ASX. However if the Company is listed on the ASX, at the time of conversion of the Performance Rights into Shares in accordance with these terms, the Company will within seven (7) days after the later of conversion and any escrow period ending, apply for the official quotation of the Shares arising from the conversion on ASX.
- (xi) **Participation in entitlements and bonus issues:** Holders of Performance Rights will not be entitled (in their capacity as a Holder of a Performance Right) to participate in new issues of capital offered to holders of the Shares such as bonus issues and entitlement issues.
- (xii) **No other rights:** The Performance Rights give the holders no 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.

Change of Control means:

- (a) a Takeover Bid is made to acquire all Shares of Metalsearch Limited, a person obtains a Voting Power in Metalsearch Limited of more than 50%, and the Takeover Bid is or has become unconditional;
- (b) a Court has sanctioned a compromise or arrangement (other than for the purpose of, or in connection with, a scheme for the reconstruction of Metalsearch Limited or its amalgamation with any other entity or entities).

SCHEDULE 3

TERMS AND CONDITIONS ON CLASS D PERFORMANCE RIGHTS

- (i) **Conversion on achievement of milestone:** Each Class D Performance Right will automatically convert into one new ordinary fully paid share in Metalsearch Limited on satisfactory achievement of the following condition (**Vesting Condition**):
- Upon completion and sign off by a competent person of a pre-feasibility study (as that phrase is defined in the JORC Code 2012) of the Abercorn Project.
- (ii) **Lapse:** A Performance Right will lapse on the earliest to occur of:
- (a) subject to any automatic vesting in accordance with other terms, if applicable Vesting Condition has not been met; or
 - (b) the expiry date which will be 5:00PM WST on the five year anniversary of the Commencement Date.
- (iii) **Transfer:** The Performance Rights are not transferable.
- (iv) **No voting rights:** The Performance Rights do not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company, subject to any voting rights under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.
- (v) **No dividend rights:** The Performance Rights do not entitle the holder to any dividends.
- (vi) **No rights to return of capital:** The Performance Rights do not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (vii) **Rights on winding up:** Upon the winding up of the Company, the Performance Rights may not participate in the surplus profits or assets of the Company.
- (viii) **Change of Control:** All unvested Performance Rights automatically vest and are automatically exercised on the occurrence of a change of control, subject to the total number of ordinary shares that the Performance Rights, in aggregate, convert into not being more than 10% of the issued ordinary capital of Metalsearch Limited as at the date of conversion.
- (ix) **Reorganisation:** In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued shares, the number of Performance Rights to which each Performance Rights holder is entitled will be adjusted in the manner provided for in the ASX listing rules applicable at the time the reorganisation comes into effect.
- (x) **No quotation:** The Performance Rights will not be quoted on ASX. However if the Company is listed on the ASX, at the time of conversion of the Performance Rights into Shares in accordance with these terms, the Company will within seven (7) days after the later of conversion and any escrow period ending, apply for the official quotation of the Shares arising from the conversion on ASX.
- (xi) **Participation in entitlements and bonus issues:** Holders of Performance Rights will not be entitled (in their capacity as a Holder of a Performance Right) to participate in new issues of capital offered to holders of the Shares such as bonus issues and entitlement issues.
- (xii) **No other rights:** The Performance Rights give the holders no 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.

Change of Control means:

- (a) a Takeover Bid is made to acquire all Shares of Metalsearch Limited, a person obtains a Voting Power in Metalsearch Limited of more than 50%, and the Takeover Bid is or has become unconditional;
- (b) a Court has sanctioned a compromise or arrangement (other than for the purpose of, or in connection with, a scheme for the reconstruction of Metalsearch Limited or its amalgamation with any other entity or entities).

SCHEDULE 4

TERMS AND CONDITIONS ON CLASS E PERFORMANCE RIGHTS

- (i) **Conversion on achievement of milestone:** Each Class E Performance Right will automatically convert into one new ordinary fully paid share in Metasearch Limited on satisfactory achievement of the following condition (**Vesting Condition**):
Upon the first to occur of either:
- execution and completion of a sub-licensing agreement under clause 4.2 of the Licence Agreement between Metasearch Ltd and UniQuest Pty Ltd and pursuant to which Metasearch Ltd has commenced receiving royalty payments from the sub-licensor arising from commercial production of synthetic zeolites; or
 - execution and completion of an unconditional offtake agreement pursuant to which the third party agrees to take or pay a minimum of 1,000,000 tonnes of kaolin (on a dry metric tonne basis) per annum for a minimum period of five years.
- (ii) **Lapse:** A Performance Right will lapse on the earliest to occur of:
- (a) subject to any automatic vesting in accordance with other terms, if applicable Vesting Condition has not been met; or
 - (b) the expiry date which will be 5:00PM WST on the five year anniversary of the Commencement Date.
- (iii) **Transfer:** The Performance Rights are not transferable.
- (iv) **No voting rights:** The Performance Rights do not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company, subject to any voting rights under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.
- (v) **No dividend rights:** The Performance Rights do not entitle the holder to any dividends.
- (vi) **No rights to return of capital:** The Performance Rights do not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (vii) **Rights on winding up:** Upon the winding up of the Company, the Performance Rights may not participate in the surplus profits or assets of the Company.
- (viii) **Change of Control:** All unvested Performance Rights automatically vest and are automatically exercised on the occurrence of a change of control, subject to the total number of ordinary shares that the Performance Rights, in aggregate, convert into not being more than 10% of the issued ordinary capital of Metasearch Limited as at the date of conversion.
- (ix) **Reorganisation:** In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued shares, the number of Performance Rights to which each Performance Rights holder is entitled will be adjusted in the manner provided for in the ASX listing rules applicable at the time the reorganisation comes into effect.
- (x) **No quotation:** The Performance Rights will not be quoted on ASX. However if the Company is listed on the ASX, at the time of conversion of the Performance Rights into Shares in accordance with these terms, the Company will within seven (7) days after the later of conversion and any escrow period ending, apply for the official quotation of the Shares arising from the conversion on ASX.
- (xi) **Participation in entitlements and bonus issues:** Holders of Performance Rights will not be entitled (in their capacity as a Holder of a Performance Right) to participate in new issues of capital offered to holders of the Shares such as bonus issues and entitlement issues.
- (xii) **No other rights:** The Performance Rights give the holders no 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.

Change of Control means:

- (a) a Takeover Bid is made to acquire all Shares of Metasearch Limited, a person obtains a Voting Power in Metasearch Limited of more than 50%, and the Takeover Bid is or has become unconditional;
- (b) a Court has sanctioned a compromise or arrangement (other than for the purpose of, or in connection with, a scheme for the reconstruction of Metasearch Limited or its amalgamation with any other entity or entities).

SCHEDULE 5

TERMS AND CONDITIONS ON CLASS F PERFORMANCE RIGHTS

- (i) **Conversion on achievement of milestone:** Each Class F Performance Right will automatically convert into one new ordinary fully paid share in Metasearch Limited on satisfactory achievement of the following condition (**Vesting Condition**):
- Upon the commencement of commercial production of either alum or HPA from the proprietary HPA processing patents owned and developed by Metasearch Limited.
- (ii) **Lapse:** A Performance Right will lapse on the earliest to occur of:
- (a) subject to any automatic vesting in accordance with other terms, if applicable Vesting Condition has not been met; or
 - (b) the expiry date which will be 5:00PM WST on the five year anniversary date of the Commencement Date.
- (iii) **Transfer:** The Performance Rights are not transferable.
- (iv) **No voting rights:** The Performance Rights do not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company, subject to any voting rights under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.
- (v) **No dividend rights:** The Performance Rights do not entitle the holder to any dividends.
- (vi) **No rights to return of capital:** The Performance Rights do not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (vii) **Rights on winding up:** Upon the winding up of the Company, the Performance Rights may not participate in the surplus profits or assets of the Company.
- (viii) **Change of Control:** All unvested Performance Rights automatically vest and are automatically exercised on the occurrence of a change of control, subject to the total number of ordinary shares that the Performance Rights A, in aggregate, convert into not being more than 10% of the issued ordinary capital of Metasearch Limited as at the date of conversion.
- (ix) **Reorganisation:** In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued shares, the number of Performance Rights to which each Performance Rights holder is entitled will be adjusted in the manner provided for in the ASX listing rules applicable at the time the reorganisation comes into effect.
- (x) **No quotation:** The Performance Rights will not be quoted on ASX. However if the Company is listed on the ASX, at the time of conversion of the Performance Rights into Shares in accordance with these terms, the Company will within seven (7) days after the later of conversion and any escrow period ending, apply for the official quotation of the Shares arising from the conversion on ASX.
- (xi) **Participation in entitlements and bonus issues:** Holders of Performance Rights will not be entitled (in their capacity as a Holder of a Performance Right) to participate in new issues of capital offered to holders of the Shares such as bonus issues and entitlement issues.
- (xii) **No other rights:** The Performance Rights give the holders no 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.

Change of Control means:

- (a) a Takeover Bid is made to acquire all Shares of Metasearch Limited, a person obtains a Voting Power in Metasearch Limited of more than 50%, and the Takeover Bid is or has become unconditional;
- (b) a Court has sanctioned a compromise or arrangement (other than for the purpose of, or in connection with, a scheme for the reconstruction of Metasearch Limited or its amalgamation with any other entity or entities).

SCHEDULE 6

TERMS AND CONDITIONS ON CLASS G PERFORMANCE RIGHTS

- (i) **Conversion on achievement of milestone:** Each Class G Performance Right will automatically convert into one new ordinary fully paid share in Metalsearch Limited on satisfactory achievement of the following condition (**Vesting Condition**):
- Upon commencement of commercial production of synthetic zeolite (as that phrase is defined in the Licence Agreement between Metalsearch Ltd and UniQuest Pty Ltd).
- (ii) **Lapse:** A Performance Right will lapse on the earliest to occur of:
- (a) subject to any automatic vesting in accordance with other terms, if applicable Vesting Condition has not been met; or
 - (b) the expiry date which will be 5:00PM WST on the five year anniversary of the Commencement Date.
- (iii) **Transfer:** The Performance Rights are not transferable.
- (iv) **No voting rights:** The Performance Rights do not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company, subject to any voting rights under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.
- (v) **No dividend rights:** The Performance Rights do not entitle the holder to any dividends.
- (vi) **No rights to return of capital:** The Performance Rights do not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (vii) **Rights on winding up:** Upon the winding up of the Company, the Performance Rights may not participate in the surplus profits or assets of the Company.
- (viii) **Change of Control:** All unvested Performance Rights automatically vest and are automatically exercised on the occurrence of a change of control, subject to the total number of ordinary shares that the Performance Rights, in aggregate, convert into not being more than 10% of the issued ordinary capital of Metalsearch Limited as at the date of conversion.
- (ix) **Reorganisation:** In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued shares, the number of Performance Rights to which each Performance Rights holder is entitled will be adjusted in the manner provided for in the ASX listing rules applicable at the time the reorganisation comes into effect.
- (x) **No quotation:** The Performance Rights will not be quoted on ASX. However if the Company is listed on the ASX, at the time of conversion of the Performance Rights into Shares in accordance with these terms, the Company will within seven (7) days after the later of conversion and any escrow period ending, apply for the official quotation of the Shares arising from the conversion on ASX.
- (xi) **Participation in entitlements and bonus issues:** Holders of Performance Rights will not be entitled (in their capacity as a Holder of a Performance Right) to participate in new issues of capital offered to holders of the Shares such as bonus issues and entitlement issues.
- (xii) **No other rights:** The Performance Rights give the holders no 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.

Change of Control means:

- (a) a Takeover Bid is made to acquire all Shares of Metalsearch Limited, a person obtains a Voting Power in Metalsearch Limited of more than 50%, and the Takeover Bid is or has become unconditional;
- (b) a Court has sanctioned a compromise or arrangement (other than for the purpose of, or in connection with, a scheme for the reconstruction of Metalsearch Limited or its amalgamation with any other entity or entities).

SCHEDULE 7

TERMS AND CONDITIONS ON UNLISTED OPTIONS

The terms and conditions of the options are as follows:

- (a) Subject to paragraph (j), each option entitles the holder to subscribe for and be allotted one ordinary fully paid share in the company with an exercise price of \$0.015 cents.
- (b) The options will not vest until the 12 month anniversary of the Commencement Date.
- (c) The options will expire on the date 4 years from date of grant (the **Expiry Date**).
- (d) Subject to paragraph (b), the options are exercisable at any time on or prior to the Expiry Date by notice in writing to the directors of the Company accompanied by payment of the Exercise Price. Options may be exercised in whole or in part, and if exercised in part, multiples of 50,000 must be exercised on each occasion.
- (e) The options are not transferable except with the prior written consent of the board of directors of the Company.
- (f) The Company will not apply for quotation of the options on ASX. However, the company will apply for Official Quotation by the ASX of all shares issued upon exercise of the options. All shares issued upon exercise of the options will rank pari passu in all respects with the company's then existing ordinary fully paid shares.
- (g) There are no participating rights or entitlements inherent in the options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the options. However, if from time to time on or prior to the Expiry Date the company makes an issue of new shares to the holders of ordinary fully paid shares, the company will send a notice to each holder of options in compliance with applicable ASX Listing Rules before the record date referable to that issue. This will give Option holders the opportunity to exercise their options prior to the date for determining entitlements to participate in any such issue.
- (h) If from time to time on or prior to the Expiry Date the company makes an issue of shares to the holders of ordinary fully paid shares in the company by way of capitalisation of profits or reserves (a **bonus issue**), then upon exercise of their options, Option holders will be entitled to have issued to them (in addition to the shares which would otherwise be issued to them upon such exercise) the number of shares of the class which would have been issued to them under that bonus issue (**bonus shares**) if on the record date for the bonus issue they had been registered as the holder of the number of shares of which they would have been registered as holder if, immediately prior to that date, they had duly exercised their options and the shares the subject of such exercise had been duly allotted and issued to them. The bonus shares will be paid up by the company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the bonus issue and upon issue will rank pari passu in all respects with the other shares allotted upon exercise of the options.
- (i) There is no right to a change in the exercise price of the options or to the number of shares over which the options are exercisable in the event of a new issue of capital (other than a bonus issue) during the currency of the options.
- (j) In the event of any reorganisation of the issued capital of the company on or prior to the Expiry Date, the rights of an Option holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules in force at the time of the reorganisation.