

## Scheme Meeting – Chair Script

Alto Metals Limited (ASX:AME) (**Alto**) refers to its proposed scheme of arrangement under which Brightstar Resources Limited (ASX:BTR) (**Brightstar**) may acquire 100% of the shares in Alto (**Scheme**).

In accordance with ASX Listing Rule 3.13.3, attached to this announcement is the Chair's address to be made at the meeting for Alto shareholders to consider and vote on the Scheme (**Scheme Meeting**), to be held today at 1.30pm (AWST).

The voting results of the Scheme Meeting will be communicated to the ASX shortly after the conclusion of the Scheme Meeting.

This announcement was authorised by the Board of Alto.

**ENDS**

**For further information, please contact:**

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## **1 Welcome, Quorum and Opening of Meeting**

Good afternoon.

My name is Mark Connelly and I am the Non-Executive Chair of Alto Metals Limited.

Welcome to the Scheme Meeting. The purpose of the Scheme Meeting is for the shareholders of Alto to vote on the scheme of arrangement under which it is proposed that Brightstar Resources Limited will acquire 100% of the shares in Alto.

Notice of this Scheme Meeting, which is included as Appendix 4 to the Scheme Booklet, was despatched on 18 October 2024. Alto Shareholders can also access and download a copy of the Scheme Booklet from Alto's website or on the ASX. A further Supplementary Information Letter was despatched on 7 November 2024. We have additional copies of both documents here, should you wish to refer to them during this meeting.

This Scheme Meeting has been convened pursuant to orders of the Supreme Court of Western Australia made on 11 October 2024. I will be the Chair of this Scheme Meeting, in accordance with the orders of the Supreme Court.

As we have reached the appointed time of 1:30pm (AWST) for the holding of the Scheme Meeting, and I am advised by the Company Secretary that the necessary quorum is present, I declare the Scheme Meeting open.

On behalf of the Board of Alto, I formally welcome our shareholders and visitors.

Present at the meeting today with me are:

- Alto's other Non-Executive Director, Mr Richard Monti;
- Alto's Managing Director, Mr Matthew Bowles; and
- Alto's Company Secretary and Chief Financial Officer, Mr Graeme Smith.

A representative of our share registry, Automic Group, is also present. I appoint Mr Flynn Mitchell of Automic Group to act as returning officer in relation to the poll which will be conducted during this Scheme Meeting.

I believe that all of you have already registered for this meeting as you came in. If not, please do so now with the Automic staff present, so that you are able to vote. I would remind everyone that this is a shareholders' meeting and only Alto Shareholders, appointed proxies, corporate representatives and attorneys have the right to speak at the meeting.

## **2 Procedural Matters**

Before commencing the formal business of the Scheme Meeting, I will first turn to some procedural matters in respect of the Scheme Meeting.

Alto Shareholders, and authorised proxyholders, attorneys and corporate representatives in attendance today can ask questions during this meeting regarding the Scheme and the Scheme Resolution.

At the appropriate time for questions, I will ask you to raise your hand and you will be asked to show your voting card to Automic staff and state your name.

Please ensure your questions and comments are relevant to the matter before this Scheme Meeting and to Alto Shareholders as a whole.

I would like to briefly summarise the voting procedure for the Scheme Meeting.

As outlined in the Scheme Booklet, voting will be conducted on a poll. The proposed Scheme Resolution is set out in the notice of meeting contained in Appendix of the Scheme Booklet.

If you are physically in attendance at the Scheme Meeting today and entitled to vote, you will have been issued with a voting card when registering for the Scheme Meeting. If you are attending in more than one capacity today, for example as a shareholder and a proxy holder, you will have been issued with as many voting cards as you have separate capacities.

Shareholders in attendance that have already submitted a vote by proxy should note that your votes will already be counted towards the poll. You do not need to lodge another vote unless you wish to change your proxy instruction.

Shareholders in attendance that have not submitted a vote by proxy and wish to vote on the Scheme Resolution being put to this Scheme Meeting can do so by following the instructions provided in the Notice of Scheme Meeting in Appendix 4 to the Scheme Booklet.

If you require assistance, please raise your hand and an Automic staff member will assist you.

If you are a shareholder and wish to cast all of your votes in a particular way on the Scheme Resolution, please place a mark in either the 'FOR', 'AGAINST' or 'ABSTAIN' box next to the resolution. If you wish to split your votes, please write the number or the portion of votes you wish to cast in the corresponding 'FOR', 'AGAINST' or 'ABSTAIN' boxes. Please note that the sum of the split votes must not exceed your total holding.

If you are a proxyholder, a summary of the votes to which you are entitled has been attached to the voting card. If the summary of votes includes discretionary votes, these are yours to cast at your discretion. If you wish to cast the discretionary votes, please place a mark in the corresponding 'FOR', 'AGAINST' or 'ABSTAIN' boxes.

If your summary of votes does not have any discretionary votes, you do not need to mark your voting card and will simply need to hand it to the returning officer at the end of the voting process.

After the Scheme Resolution has been read and you have completed the voting card, an Automic representative will come and collect your voting card.

Are there any questions in relation to the voting procedure? Please note there will be the opportunity later to ask questions regarding the Scheme.

Proxies have been inspected and all those validly lodged have been accepted.

All undirected proxies or open votes that have nominated the Chair of the Scheme Meeting as their proxy will be cast in favour of the Scheme Resolution.

### **3 Overview of the Scheme**

I will now provide an overview of the Scheme.

On 1 August 2024, Alto announced that it had executed a Scheme Implementation Deed with Brightstar, under which Brightstar proposed to acquire 100% of Alto fully paid ordinary shares by way of scheme of arrangement. Subject to the Scheme becoming Effective, Brightstar agrees to issue four New Brightstar Shares for every one Alto share held on the Record Date, other than to Ineligible Foreign Holders and Non-Electing Small Shareholders, who will receive their pro rata portion of the proceeds of the sale of New Brightstar Shares that would otherwise be issued to them, as detailed in the Scheme Booklet.

The Scheme will only become effective and be implemented if the Scheme Resolution to be considered by Alto Shareholders at today's Scheme Meeting is approved and the other outstanding conditions precedent under the Scheme Implementation Deed are satisfied or waived.

Further details of the Scheme are outlined in detail in the Scheme Booklet and Supplementary Information Letter. The Scheme Booklet also includes an Independent Expert's report prepared by BDO as to whether the Scheme is in the best interests of Alto Shareholders. The Independent Expert concluded that the Scheme is not fair but reasonable, and therefore in the best interests of Alto Shareholders absent a Superior Proposal.

In the Independent Expert's opinion, the Scheme is not fair because the value of the Scheme Consideration (on a minority basis), which the Independent Expert has assessed to be in the range of \$0.048 to \$0.088, with a preferred value of \$0.068, is lower than the value of an Alto Share prior to the Scheme on a controlling basis, which the Independent Expert has assessed to be in the range of \$0.053 to \$0.105, with a preferred value of \$0.079.

However, the Independent Expert considers the Scheme to be reasonable because the advantages of the Scheme to Alto Shareholders are greater than the disadvantages. The Independent Expert has noted the respective advantages and disadvantages of the Scheme in section 13 of the Independent Expert's Report.

Reasons to vote in favour of or against the Scheme Resolution are set out in detail in sections 1.2 and 1.3 of the Scheme Booklet.

The Alto Board continues to believe that the Scheme is in the best interests of Alto Shareholders and confirms that as at the time of this Scheme Meeting, no Superior Proposal has emerged.

The Alto Board unanimously recommends that you vote in favour of the Scheme Resolution. Detailed reasons for the Board's recommendation are set out in the Scheme Booklet at the letter from the Alto Chair, and sections 1.2 and 3.3. Each Alto director that holds or controls Alto shares intends to vote those shares in favour of the Scheme Resolution.

In considering this recommendation, Alto Shareholders should have regard to the disclosures in the Scheme Booklet regarding the interests of the Alto directors in the outcome of the Scheme.

The Scheme Implementation Deed sets out several conditions precedent to implementation of the Scheme. Implementation is now principally conditional on:

- the Independent Expert continuing to conclude that, in the absence of a Superior Proposal, the Scheme is in the best interests of Alto Shareholders;
- Alto Shareholders passing the Scheme Resolution at this Scheme Meeting to approve the Scheme by the Requisite Majorities; and
- the Supreme Court of Western Australia approving the Scheme at the Second Court Hearing, which is scheduled to be held at 10:00am (AWST) on Friday, 29 November 2024.

If the Scheme is approved by the Requisite Majorities of Alto Shareholders today, Alto expects to seek approval of the Scheme from the Supreme Court on Friday, 29 November 2024.

If the Supreme Court approves the Scheme, the Effective Date of the Scheme and the last trading day in Alto shares is expected to be Monday, 2 December 2024. Implementation of the Scheme is then scheduled for Monday, 9 December 2024.

The dates are subject to satisfaction of the outstanding conditions precedent including Court approval. Any changes to the implementation timetable will be announced to ASX.

#### **4 Voting on Scheme Resolution**

I now turn to the formal business of the meeting. The sole item of business is the vote on the Scheme Resolution.

As mentioned, the Scheme Resolution is set out in the Notice of Scheme Meeting. If there are no objections, I will take the Notice of Scheme Meeting as read.

The purpose of the Scheme Meeting is to consider, and if thought fit, to pass (with or without amendment) the following Scheme Resolution:

*“THAT, pursuant to and in accordance with section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement (**Scheme**) proposed to be entered into between Alto Metals Limited (**Alto**) and the holders of its fully paid ordinary shares, as contained in and more particularly described in the booklet of which the notice convening this meeting forms part, is agreed to (with or without modification as approved by the Supreme Court of Western Australia (**Court**) to which Alto and Brightstar Resources Limited agree) and FURTHER that, the directors of Alto are authorised to agree to such alterations or conditions as are thought fit by the Court and, subject to approval of the Scheme by the Court, the directors of Alto are authorised to implement the Scheme with any such alterations or conditions.”*

To pass at this Scheme Meeting, the Scheme Resolution must be approved by the Requisite Majorities, being:

- a majority in number (i.e. more than 50%) of Alto Shareholders present and voting at this Scheme Meeting (whether in person, by proxy, by attorney or by corporate representative); and
- at least 75% of the total number of votes cast on the Scheme Resolution.

In respect of this resolution, we have received proxies from 200 Alto Shareholders together holding 419,614,041 Alto shares representing 58% of the total shares on issue.

I advise the number of proxy votes as follows:

The Scheme Resolution has received:

- 198 shareholders collectively holding 419,454,041 votes FOR.
- 1 shareholder holding 130,000 votes AGAINST.
- 1 shareholder holding 30,000 votes ABSTAINED.

All undirected proxies directed to me as Chair are being voted in favour of the Scheme Resolution.

I will now provide an opportunity for those persons entitled to vote to ask questions in relation to the proposed Scheme before I formally commence the poll.

I confirm that there were no questions received prior to the Scheme Meeting.

If you wish to ask a question, please raise your hand now, show your voting card, and state your name.

As there are no further questions, I now put the Scheme Resolution to poll and ask you to complete your voting card with respect to the Scheme Resolution and remain seated while the voting cards are collected.

If there is anyone present who has not had their voting card collected, could you please raise your hand?

That completes the formal business of the Scheme Meeting. I now declare the poll closed and advise that the results of the Poll will be announced when they are finalised.

## **5 Closure**

As there is no further business, that concludes the official business of this Scheme Meeting. I would like to thank all shareholders for your attendance today and support of Alto.

I now formally declare the Scheme Meeting closed.