

## Notice to Eligible Shareholders of Non-Renounceable Entitlement Offer

Dear Shareholder,

We write to you as the registered holder of fully paid ordinary shares in Anax Metals Limited (ACN 106 304 787) (ASX:ANX) (**Anax Metals** or **Company**) (**Shares**) as at 5.00pm (AWST) on 5 October 2023 (**Record Date**).

Pursuant to the prospectus lodged with ASX and ASIC on 29 September 2023 (**Prospectus**), Anax Metals is undertaking a non-renounceable pro-rata entitlement issue of 1 New Share for every 3 existing Shares held by Eligible Shareholders on the Record Date, at an issue price of \$0.035 per New Share to raise up to \$5 million (before costs) (**Entitlement Offer**). Participants in the Entitlement Offer will also be issued 1 free attaching unquoted option exercisable at \$0.06 each and expiring on 31 December 2025 (**New Option**) for every 2 New Shares subscribed for under the Entitlement Offer.

Eligible Shareholders who subscribe for their Entitlement in full may also apply for additional New Shares and New Options in excess of their Entitlement pursuant to the Top-Up Offer described in the Prospectus.

Capitalised terms used, but not defined in this letter, have the meaning ascribed to them in the Prospectus.

### How to access the Entitlement Offer and Top-Up Offer

1. **ONLINE** - The Prospectus and personalised Application Form can be accessed via the Automic Investor portal: <https://investor.automic.com.au/#/home>
2. **PAPER** - Request a paper copy of the Prospectus and the personalised Entitlement Form by contacting the Automic Share Registry by email at [corporate.actions@automicgroup.com.au](mailto:corporate.actions@automicgroup.com.au) or call 1300 288 664 or +61 2 9698 5414 between 8.30am – 7.00pm (AEST).

### Key Features of the Entitlement Offer and Top-Up Offer

The Entitlement Offer is available to shareholders registered on the Record Date whose registered address is in Australia, or subject to the restrictions outlined in the Prospectus, in New Zealand, Hong Kong, Singapore, and the United Kingdom.

Please note that Shares will be quoted on an 'ex' basis from 4 October 2023 and, therefore, any Shares acquired on or after this date will not be entitled to participate in the Entitlement Offer and Top-Up Offer (together, the **Offers**).

The Entitlement Offer is non-renounceable, meaning that Eligible Shareholders will not be able to transfer their Entitlements pursuant to the Entitlement Offer and, if they do not take up their Entitlements pursuant to the Entitlement Offer, their holdings will be diluted.

All of the Shares issued pursuant to the Entitlement Offer (and on exercise of the New Options) will rank equally with the existing Shares on issue in the Company from the date of allotment. Further details regarding the rights and liabilities attaching to the New Shares and New Options is contained in the Prospectus.

### Purpose of the Entitlement Offer and Top-Up Offer

Proceeds from the Entitlement Offer and Top-Up Offer are intended to be primarily applied towards:

- early-stage lithium exploration activities at Whim Marr and Loudens Patch;
- progressing product offtake and debt financing activities at the Whim Creek Project;
- maintaining mine site operations and environmental monitoring at the Whim Creek Project; and
- general working capital and the costs of the Offers.

Further details in respect of the Company's intended use of funds are set out in the Prospectus.

The above is a statement of current intentions at the date of the Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

## Prospectus

Details of the Offers are contained in the Prospectus. The Prospectus can be accessed from the ASX and Company websites, [www.asx.com.au](http://www.asx.com.au) and [www.anaxmetals.com.au/news/](http://www.anaxmetals.com.au/news/) respectively.

It is important that you read the Prospectus carefully before deciding whether to participate in the Offers, and seek advice from your suitably qualified professional adviser if you have any queries. This notice is to inform you of the Offers. You are not required to do anything in respect to this letter.

## Indicative Offer Timetable

An indicative timetable for the Entitlement Offer is below:

Event	Date
Lodgement of Appendix 3B with ASX	27 September 2023
Lodgement of Prospectus with ASIC and ASX	29 September 2023
Shares quoted on an "EX" basis	4 October 2023
Record Date for determining Entitlements	5 October 2023
Prospectus and Application Forms made available to Eligible Shareholders Opening date of the Offers	10 October 2023
Last day to extend Entitlement Offer Closing Date	23 October 2023
Offers Closing Date (5pm WST)	26 October 2023
New Shares quoted on a deferred settlement basis	27 October 2023
Announcement of results of the Offers and issue date of new Securities under the Offers	2 November 2023
Anticipated date for commencement of new Shares issued under the Offers trading on a normal settlement basis	3 November 2023

\* All dates (other than the events described as occurring today) are indicative only. The Directors may extend the Closing Date in respect of the Entitlement Offer by giving at least 3 business days' notice to ASX prior to the Closing Date. As such, the date the securities to be issued under the Entitlement Offer are expected to commence trading on ASX may vary.

For all enquiries concerning the Offers, please contact the Company by telephone on +61 (08) 6143 1840. For all general shareholder enquiries, please contact the Company's Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia). You should also consult your stockbroker, solicitor, accountant or other suitably qualified professional adviser to evaluate whether or not to participate in the Offers.

Yours faithfully

**Steven Wood**

Company Secretary  
Anax Metals Limited