

6 October 2023

Dear Shareholder

Notice to Ineligible Foreign Shareholders of Non-Renounceable Entitlement Offer

We write to you as the registered holder of fully paid ordinary shares (**Shares**) in the capital of Anax Metals Limited (ACN 106 304 787) (ASX: ANX) (**Anax Metals** or **Company**).

Pursuant to the prospectus lodged with 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 on the record date, being 5.00pm (AWST) on 5 October 2023 (**Record Date**) at an issue price of \$0.035 per new Share to raise up to approximately \$5 million (before costs), together with 1 free attaching unquoted Option exercisable at \$0.06 each and expiring on 31 December 2025 for every 2 new Shares applied for and issued (**Offer**), along with certain Secondary Offers described in the Prospectus.

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

Ineligible Foreign Shareholders

The Offer is available to shareholders registered as the holder of Shares on the Record Date whose registered address is in Australia, and subject to the provisions outlined in the Prospectus, New Zealand, Hong Kong, Singapore and the United Kingdom (**Eligible Shareholder**).

Pursuant to section 9A(3)(a) of the *Corporations Act 2001* (Cth) (**Corporations Act**) and ASX Listing Rule 7.7.1(a), the Company has determined that it is unreasonable on this occasion to extend the Offer to shareholders with a registered address outside of Australia, New Zealand, Hong Kong, Singapore, and the United Kingdom (**Ineligible Foreign Shareholders**), having regard to the small number of Ineligible Foreign Shareholders, the relatively small number and value of new Securities that would be issued to the Ineligible Foreign Shareholders under the Offer and the costs of complying with the legal and regulatory requirements in each such jurisdiction.

As you do not satisfy the criteria for an Eligible Shareholder, you are deemed to be an Ineligible Foreign Shareholder for the purposes of the Offer. Accordingly, in compliance with section 9A(3) of the Corporations Act and ASX Listing Rule 7.7.1(b), the Company wishes to inform you that it is unfortunately unable to extend to you the opportunity to participate in the Offer. Under the terms of the Offer, you are not eligible to apply for the new Securities offered and you will not be sent a copy of the Prospectus.

Non-renounceable offer

As the Offer is non-renounceable, no amount will be payable by or to you. You will not receive any value in respect of any new Securities that would have been offered to you if you were an Eligible Shareholder, and your shareholding in the Company will be diluted as a result of the Offer.

Thank you for your continued support of the Company, and I trust you understand the Company's position on this matter.

Further details

For all enquiries concerning the Offer, please contact the Company by telephone on +61 (08) 6143 1840 or email at info@anaxmetals.com. For all general shareholder enquiries, please contact the Company's Share Registry Automic Pty by email at corporate.actions@automicgroup.com.au or call on 1300 288 664 or +61 2 9698 5414 between 8.30am to 7.00pm (AEST). You should also consult your stockbroker, solicitor, accountant or other suitably qualified professional adviser if you have any further questions.