

STAR MINERALS LIMITED – PUBLIC OFFER

Dear Shareholder,

Priority offer opportunity for Star Minerals Limited IPO

Australian Vanadium Limited (“AVL”, “Company”) is pleased to advise a Priority Offer to AVL shareholders under the Star Minerals Limited (“SMS”) Initial Public Offering (“IPO”) Prospectus (the “Prospectus”) SMS lodged with ASIC on 30 July 2021. Persons who are or were registered as shareholders of AVL (resident in Australia or New Zealand) during the offer period (“Eligible Shareholder”) will be entitled to subscribe for SMS shares in the IPO under a Priority Offer (“AVL Offer”). Applications under the public and priority offers of the IPO open on 9 August 2021.

AVL helped to publicly list Bryah Resources Limited (“BYH” or “Bryah”) on the ASX in 2019, and vended into the Bryah IPO a series of tenements and mineral rights over commodities that were not core to AVL’s focus of developing the Australian Vanadium Project at Gabanintha. Since that time, Bryah has made multiple new discoveries of manganese, gold, copper and base metals on its tenements. Having created the very specific opportunity to extend, develop and mine the Tumblegum South gold deposit, Bryah and its shareholders elected to create a new company, Star Minerals Limited. AVL remains a substantial shareholder in Bryah and is pleased that Star Minerals has agreed to extend AVL shareholders a priority opportunity to participate in this new IPO.

Where to find details of SMS and your priority shareholder offer

In order to participate in the AVL Offer under the Prospectus, shareholders should follow the instructions on the priority application form attached to or accompanying the Prospectus and note the AVL Offer closing date (currently 3 September 2021) may be closed early at the election of the SMS Directors. Before deciding to invest in SMS, investors should read the entire Prospectus and consider the risks of the AVL Offer. A copy of the Prospectus and priority application form can be downloaded from the SMS website www.starminerals.com.au

You can call the Share Registry on 1300 288 664 (within Australia), +61 2 9698 5414 (outside Australia) or email corporate.actions@automic.com.au for information regarding the AVL Offer.

Once the AVL Offer opens at 9am AEDT on 9 August 2021 you can make a priority application online at: <https://investor.automic.com.au/#/ipo/starmineralspriority>.

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Subscriptions and Allocations

Under the AVL Offer, up to 7,500,000 SMS Shares (representing \$1,500,000 of the total SMS IPO amount) have been set aside for Eligible Shareholders of AVL. Each Eligible Shareholder can apply for up to a maximum of 500,000 Shares under the AVL Offer. Eligible Shareholders will be allocated Shares under the AVL Offer at the discretion of the SMS Board under the allocation policy set out in Section 2.16 of the Prospectus.

If SMS receives applications from Eligible Shareholders of AVL under the AVL Offer for more than 7,500,000 Shares, SMS intends to treat such additional applications as being made under the Public Offer component of the IPO, subject to such additional applications satisfying the minimum application size of 10,000 SMS shares under the Public Offer.

While it is intended that as many Eligible Shareholders of AVL as possible receive an allocation under the AVL Offer, there is no guarantee and neither the Company nor SMS give any assurance, that all eligible AVL shareholders will be allocated the SMS Shares applied for. Eligible Shareholders are encouraged to submit an Application Form attached to or accompanying the Prospectus as soon as possible. We look forward to successful listing of Star Minerals Limited by the end of September 2021.

About Star Minerals

Bryah has sought and received shareholder approval for the divestment of non-core gold exploration assets including the Tumblegum South gold deposit which has an Inferred Mineral Resource of 600,000 tonnes @ 2.2 g/t Au for 42,500 oz Au¹ and one Exploration Licence in the Bryah Basin to Star Minerals Limited. Both transactions are conditional upon Star Minerals Limited undertaking an IPO and obtaining ASX approval to list by 31 January 2022.

Bryah will hold 20.75% equity in Star Minerals Limited upon successful listing, with potential to increase equity through conversion of Performance Rights, to over 30% upon commencement of gold production at Tumblegum South. The transaction allows Bryah to maintain focus on copper-gold exploration whilst retaining significant exposure to gold production at Tumblegum South.

SMS has recently lodged the prospectus to undertake a public offer of 25,000,000 shares at an issue price of \$0.20 per share to raise \$5,000,000 (before costs) ("**Public Offer**"). For every 2 shares subscribed for and issued, investors will receive 1 free attaching option, each with an exercise price of \$0.30 expiring 3 years from the date of issue.

As detailed in the Prospectus, various agreements have been entered into which, upon completion, will result in SMS becoming a Western Australian focused gold explorer, with an advanced development-ready project and extensive land holdings in Murchison and Bryah Basin areas of Western Australia. SMS is acquiring 1 granted Mining licence and 7 granted mineral exploration licences which are prospective for, among other commodities, gold, copper and manganese, nickel and cobalt.

Star Minerals' focus is on the rapid advancement of the exploration and development of the mining projects at Tumblegum South, and it will leverage existing relationships, mining plant and infrastructure wherever and whenever possible to achieve low-risk and well-timed production outcomes.

Kind regards,



Vincent Algar
Managing Director
Australian Vanadium Limited

This letter is not intended to be an offer for subscription, invitation, recommendation or sale with respect to any shares in any jurisdiction. The proposed offering of shares by Star Minerals Limited ("SMS") is made under the Prospectus prepared in accordance with the Corporations Act 2001 (Cth) and lodged with the Australian Securities and Investments Commission ("ASIC") on 30 July 2021 ('the Prospectus'). You should carefully consider the Prospectus before deciding whether to acquire Shares in SMS. Any person wishing to subscribe for Shares in SMS will need to complete an application form (for either the Priority Offer or the Public Offer) that will be in or will accompany the Prospectus. Recipients of this letter should make their own independent assessment of the information contained in the Prospectus and/or seek their own independent professional advice in relation to the Prospectus and/or any action taken on the basis of this letter or the Prospectus.

ⁱ <https://www.bryah.com.au/site/PDF/70343bce-78d2-4a22-ad3a-3bc98e5c109b/MaidenGoldResourceatGabanintha>

