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Notification to Ineligible Retail Shareholders

Attached is a sample of the letter that will be provided to shareholders of Syrah Resources Limited (ASX: SYR) (“Syrah”) who are ineligible to participate in the retail component of the fully underwritten pro rata accelerated non-renounceable entitlement offer of new shares in Syrah, which was announced on Monday, 7 February 2022.

This ASX release was authorised on behalf of the Syrah Board by

Shaun Verner, Managing Director

For further information contact Investor Relations

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Further information

If you have any questions regarding the entitlement offer, please call the Syrah Offer Information Line on 1300 850 505 (for callers within Australia) or +61 3 9415 5000 (for callers outside Australia) any time between 8:30am and 5:30pm (AEDT) on Monday to Friday until the offer closes on Monday, 28 February 2022.

About Syrah Resources

Syrah Resources (ASX code: SYR) is an Australian Securities Exchange listed industrial minerals and technology company with its flagship Balama Graphite Operation in Mozambique and a downstream Active Anode Material Facility in the United States. Syrah’s vision is to be the world’s leading supplier of superior quality graphite and anode material products, working closely with customers and the supply chain to add value in battery and industrial markets.

Important notices

This announcement is not a financial product or investment advice, a recommendation to acquire shares or financial, accounting, legal or tax advice. The information in this announcement does not contain all the information necessary to fully evaluate an investment. It should be read in conjunction with the other materials lodged with ASX in relation to the entitlement offer (including the investor presentation (released on 7 February 2022) and the key risks set out therein), and Syrah's other periodic and continuous disclosure announcements. This announcement has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the information in this announcement and in the investor presentation in relation to the entitlement offer having regard to their own objectives, financial and tax situation and needs, and should seek legal, tax and other professional advice. Syrah is not licensed to provide financial product advice in respect of an investment in shares.

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This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.



SYR

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14 February 2022

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Dear Shareholder

Syrah Resources Limited Entitlement Offer – Notification to ineligible shareholders

On Monday, 7 February 2022, Syrah Resources Limited ABN (77 125 242 284) (ASX: SYR) (“**Syrah**” or the “**Company**”) announced a fully underwritten pro rata accelerated non-renounceable entitlement offer to eligible shareholders to subscribe for 1 new fully paid ordinary Syrah share (“**New Share**”) for every 5.9 existing fully paid ordinary Syrah shares (“**Shares**”) held as at 7:00pm (AEDT) on the record date (being Wednesday, 9 February 2022) (“**Record Date**”) (“**Entitlement**”) at an issue price of A\$1.48 per New Share (“**Offer Price**”) to raise approximately A\$125 million (“**Entitlement Offer**”). Concurrently with the Entitlement Offer, Syrah also announced a fully underwritten placement to institutional investors at the Offer Price to raise approximately A\$125 million (“**Placement**”, together with the Entitlement Offer, the “**Offer**”).

Details of Entitlement Offer

The Entitlement Offer comprises an institutional component (“**Institutional Entitlement Offer**”) and an offer to Eligible Retail Shareholders (as defined below) to participate on the same terms (“**Retail Entitlement Offer**”).

The Entitlement Offer is being made by Syrah in accordance with section 708AA of the *Corporations Act 2001* (“**Corporations Act**”) as modified by the Australian Securities and Investments Commission (“**ASIC**”) Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73), meaning that no prospectus or other disclosure document needs to be prepared.

This letter has been sent to you to inform you about the Entitlement Offer and to explain why you are ineligible to subscribe for New Shares under the Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares.

You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Offer that you should be aware of.

Details of the Institutional Entitlement Offer

On Wednesday, 9 February 2022, Syrah announced that it had successfully completed the Institutional Entitlement Offer. Through the Institutional Entitlement Offer and Placement, Syrah raised approximately \$192 million.

Syrah shareholders who were eligible to participate in the Institutional Entitlement Offer (“**Eligible Institutional Shareholder**”) were those:

- to whom ASX Listing Rule 7.7.1(a) did not apply;
- who successfully received an offer under the Institutional Entitlement Offer; and
- who, if they were a nominee, were only an Eligible Institutional Shareholder to the extent that they held Syrah Shares for beneficiaries who would have been Eligible Institutional Shareholders, had they held the Syrah Shares themselves.

Details of the Retail Entitlement Offer

The Retail Entitlement Offer is being made to Eligible Retail Shareholders on the basis of 1 New Share for every 5.9 existing Shares held at the Record Date.

A Retail Offer Booklet relating to the Retail Entitlement Offer was lodged with the Australian Securities Exchange (“**ASX**”) today.

Who is eligible for the Retail Entitlement Offer?

Shareholders who are eligible to participate in the Retail Entitlement Offer (“**Eligible Retail Shareholders**”) are those shareholders of Syrah who:

- are registered as a holder of Shares as at the Record Date; and
- have a registered address on the Syrah share register in Australia or New Zealand as at the Record Date; and
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent you hold Shares for the account or benefit of such person in the United States); and
- did not receive an offer to participate (other than as a nominee) and were not otherwise ineligible to participate under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

Shareholders who are not Eligible Retail Shareholders are ineligible retail shareholders and are consequently unable to participate in the Retail Entitlement Offer. Syrah reserves the right to determine whether a shareholder is an Eligible Retail Shareholder or an ineligible retail shareholder.

Why am I not eligible for the Entitlement Offer?

Syrah has determined, pursuant to section 9A(3) of the Corporations Act and ASX Listing Rule 7.7.1(a) that it would be unreasonable to make offers to Syrah shareholders in countries outside Australia and New Zealand in connection with the Retail Entitlement Offer. This is because of the small number of Syrah shareholders outside of Australia and New Zealand, the number and value of Shares those Syrah shareholders hold and the cost of complying with the applicable legal requirements and requirements of regulatory authorities in those countries.

Unfortunately, according to our records, you do not satisfy the eligibility criteria described above. Accordingly, in compliance with section 9A(3) of the Corporations Act and ASX Listing Rule 7.7.1(b), we wish to inform you that the Entitlement Offer will not be extended to you and you will not be able to subscribe for New Shares under the Entitlement Offer. You will not be sent a copy of the Retail Offer Booklet for the Retail Entitlement Offer.

Syrah, its affiliates and related bodies corporate, and each of their respective directors, officers, employees, partners, contractors, consultants, advisers and agents, disclaim any duty or liability (including in negligence) in respect of any determination of eligibility, to the maximum extent permitted by law.

Non-renounceable offer

As the Entitlement Offer is non-renounceable, entitlements in respect of the New Shares you would have been entitled to if you were an Eligible Institutional Shareholder or an Eligible Retail Shareholder will lapse and you will not receive any payment or value for your entitlements in respect of any New Shares that would have been offered to you if you had been eligible.

Further information

If you have any questions in relation to any of the above matters, please contact your professional adviser or call the Syrah's share registry on 1300 850 505 (for callers within Australia) or +61 3 9415 5000 (for callers outside Australia) any time between 8:30am and 5:30pm (AEDT) on Monday to Friday.

On behalf of the Board and management of Syrah, thank you for your continued support of our company.

Yours sincerely



Melanie Leydin
Company Secretary
Syrah Resources Limited

This letter is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia and New Zealand. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in Syrah.

This letter may not be released or distributed in the United States. This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which such an offer would be illegal. The New Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States. The New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Regulation S under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.