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Notification to Eligible Retail Shareholders

Attached is a sample of the letter that will be provided to shareholders of Syrah Resources Limited (ASX: SYR) (“Syrah”) who are expected to be eligible 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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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 Equity Raising (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 Equity Raising 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.



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7 February 2022

Dear Shareholder

Syrah Resources Limited – Retail Entitlement Offer to open on Monday, 14 February 2022

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**”).

The proceeds of the Offer will be primarily used to fully fund remaining estimated installed capital costs required for the initial expansion of Syrah’s active anode material (“**AAM**”) facility in Vidalia, Louisiana, USA to 11.25ktpa AAM production capacity. Further details of the Offer and the initial expansion of Syrah’s facility are set out in the investor presentation released to the ASX on Monday, 7 February 2022.

The Entitlement Offer comprises:

- an accelerated entitlement offer to eligible institutional investors (“**Institutional Entitlement Offer**”); and
- a retail offer to the remaining eligible shareholders with a registered address in Australia or New Zealand as at 7:00pm (AEDT) on the Record Date (“**Retail Entitlement Offer**”).

This letter is not an offer document. It is provided to eligible retail shareholders to provide advance notice of some key terms and conditions of the Retail Entitlement Offer. The Retail Entitlement Offer is scheduled to open at 9.00am (AEDT) on Monday, 14 February 2022 at which time the Retail Offer Booklet (setting out full details of the Retail Entitlement Offer) and personalised Entitlement and Acceptance Form will be available to eligible retail shareholders.

Details of the Retail Entitlement Offer

Under the Retail Entitlement Offer, eligible retail shareholders will have the opportunity to subscribe for 1 New Share for every 5.9 existing Shares they held at 7.00pm (AEDT) on the Record Date, at the Offer Price.

In addition, as part of the Retail Entitlement Offer, eligible retail shareholders (who are not related parties of Syrah) who take up their Entitlement in full will be invited to apply for additional New Shares (up to an additional 50% of their Entitlement) that may be available from any shortfall under the Retail Entitlement Offer (which will occur if fewer than all of the New Shares are taken up under the Retail Entitlement Offer) (“**Additional Shares**”), subject to any scale-back. Any Additional Shares will be offered at the Offer Price.

The Offer Price represents a discount of:

- 7.9% discount to the theoretical ex-rights price¹ (**TERP**) of A\$1.61; and
- 10.3% discount to the last traded price of Syrah's shares on ASX of A\$1.65 on Friday, 4 February 2022 prior to announcement of the Offer.

Accessing the Retail Offer Booklet

When the Retail Entitlement Offer opens, the Retail Offer Booklet will be accessible either online at the offer website or by requesting a paper copy from Computershare:

- **ONLINE** – The Retail Offer Booklet and personalised Entitlement and Acceptance Form (including BAPY^{®2} payment details) will be accessible via the offer website from Monday, 14 February 2022: <https://www.syrahoffer.com.au>
- **PAPER** – The Retail Offer Booklet and the personalised Entitlement and Acceptance Form can be sent to eligible shareholders via post. Please call Computershare 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 to request a paper copy.

Syrah encourages you to access the Retail Offer Booklet online. If you would like to receive the offer by email when the Retail Entitlement Offer opens, please update your communication preferences online at www.computershare.com.au/easyupdate/SYR by no later than the Record Date .

Actions required by eligible retail shareholders

Your Entitlement will be shown on the personalised Entitlement and Acceptance Form that accompanies the Retail Offer Booklet (which will be accessible as set out above). The choices available to eligible retail shareholders will be described in the Retail Offer Booklet. In summary, eligible retail shareholders may:

- take up their Entitlement in full, or take up all of their Entitlement and apply for Additional Shares (up to a maximum of 50% of their Entitlement);
- take up part of their Entitlement and allow the balance to lapse; or
- take no action and allow all of their Entitlement to lapse.

Eligible retail shareholders who do not take up their Entitlement in full or in part will not receive any value in respect of those Entitlements not taken up and will have their interest in Syrah diluted as a result.

If you wish to take up all or part of your Entitlement (or Additional Shares), you must pay your application monies by following the instructions set out in your personalised Entitlement and Acceptance Form by no later than **5.00pm (AEDT) on Monday, 28 February 2022**.³ Further details of how to submit an application will be provided in the Retail Offer Booklet.

¹ The Theoretical Ex-Rights Price (**TERP**) is the theoretical price at which Syrah shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP. TERP is calculated by reference to Syrah's closing price of A\$1.65 on Friday, 4 February 2022. The TERP calculation includes New Shares issued under the Placement.

² ® Registered to BPAY Pty Limited ABN 69 079 137 518.

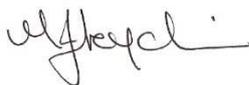
³ If you do not have an account that supports BPAY[®] transactions, eligible New Zealand retail shareholders will be offered EFT details via the offer website.

QUESTIONS

If you have any queries about the Retail Entitlement Offer, please contact 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 during the Retail Entitlement Offer period.

The board of directors of Syrah is pleased to offer this opportunity to you and thanks you for your continued support.

Yours faithfully



Melanie Leydin
Company Secretary
Syrah Resources Limited

Important Notice and Disclaimer

This letter is issued by Syrah to inform you about the Retail Entitlement offer. 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. The provision of this letter is not, and should not be considered as, financial product advice. The information in this letter 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 adviser.

Not an offer in the United States

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