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10 July 2023

Dear Shareholder

Accelerated Non-Renounceable Pro-Rata Entitlement Offer – Notification to Ineligible Shareholders

On 3 July 2023, Develop Global Limited (ACN 122 180 205) (**Develop** or the **Company**) announced that it was conducting:

- a fully underwritten 1 for 29 pro rata accelerated non-renounceable entitlement offer (**Entitlement Offer**) of new fully paid ordinary shares in the Company (**New Shares**), to raise approximately A\$20 million (before costs); and
- a fully underwritten institutional placement (**Placement**) to certain sophisticated and institutional shareholders on the same terms as the Institutional Entitlement Offer (defined below), to raise approximately A\$30 million (before costs),

in each case at a price of A\$3.20 per New Share.

The Placement and the Entitlement Offer are collectively the **Offer**.

The proceeds of the Offer will be used for the following purposes:

- to provide funding for the development of Develop's assets;
- subject to completion of the proposed acquisition by Develop of all the shares in Essential Metals Limited (ACN 103 423 981) by scheme of arrangement (announced to the ASX on 3 July 2023), to provide funding for the development for Essential Metals Limited's assets; and
- to fund transaction fees and costs.

Please refer to Develop's Announcement and Investor Presentation lodged with the Australian Securities Exchange (**ASX**) on 3 July 2023 for further details.

This notice is to inform you about the Entitlement Offer and to explain why you will not be able to subscribe for New Shares under the Entitlement Offer. This letter is not an offer to issue entitlements or New Shares to you, nor an invitation for you to apply for entitlements or 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 Entitlement Offer that you should be aware of.**

1 Details of the Entitlement Offer

The Entitlement Offer comprises an institutional entitlement offer (**Institutional Entitlement Offer**) and an offer to Eligible Retail Shareholders (as defined below) to participate on the same terms (**Retail Entitlement Offer**). The Institutional Entitlement Offer has already closed and the results were announced to the ASX on 5 July 2023.

The Entitlement Offer is being made pursuant to section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument*

2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73) (collectively, **ASIC Instruments**), which allows the Entitlement Offer to be made without a prospectus.

Develop has today lodged a retail offer booklet with the ASX, which sets out further details in respect of the Retail Entitlement Offer (**Retail Offer Booklet**).

2 Eligibility criteria

Develop 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 Develop shareholders outside of Australia or New Zealand in connection with the Retail Entitlement Offer.

The restrictions upon eligibility are due to a number of factors, including the small number of Develop shareholders in each of those countries, the number and value of fully paid ordinary shares in Develop (**Shares**) those Develop shareholders hold and the cost of complying with the applicable laws and regulations and the requirements of any regulatory authority in jurisdictions outside Australia and New Zealand.

Accordingly, in compliance with section 9A(3) of the Corporations Act and ASX Listing Rule 7.7.1(b), Develop wishes to inform you that it will not be extending the Retail Entitlement Offer to you, Develop will not be sending a copy of the Retail Offer Booklet to you and you will not be able to subscribe for New Shares under the Retail Entitlement Offer.

Eligible Retail Shareholders are those persons who:

- are registered as holders of existing Shares as at 5:00pm (AEST) on 5 July 2023 (**Record Date**);
- as at the Record Date, have a registered address in Australia or New Zealand on the Develop Share register or are persons that Develop has otherwise determined are eligible to participate in the Retail Entitlement Offer;
- 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 that such shareholders hold Shares for the account or benefit of such person in the United States);
- did not receive an offer to participate (other than as nominee) or were otherwise ineligible to participate in 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,

provided that, if a shareholder (including a nominee, trustee or custodian) is acting for the account or benefit of a person in the United States, it may not participate in the Retail Entitlement Offer on behalf of such a person.

Shareholders who are not Eligible Retail Shareholders are ineligible retail shareholders and are consequently unable to participate in the Retail Entitlement Offer.

Notwithstanding the above, Develop may (in its absolute discretion) agree to extend the Retail Entitlement Offer to certain institutional shareholders in foreign jurisdictions who did not participate in the Institutional Entitlement Offer, subject to compliance with applicable laws.

3 Non-renounceable offer

As with the Institutional Entitlement Offer, the Retail Entitlement Offer is non-renounceable. Entitlements in respect of New Shares you would have been entitled to if you were an Eligible Retail Shareholder will lapse. No amount will be payable by you and you will not otherwise receive any payment or value for entitlements in respect of any New Shares that would have been offered to you if you were an Eligible Retail Shareholder.

Further details in respect of the Entitlement Offer (including details of eligibility) can be found on the ASX market announcements platform (www.asx.com.au).

Further information

If you have any queries regarding the Retail Entitlement Offer, please contact your professional adviser or call the information line on 1300 420 709 (within Australia) or +61 1300 420 709 (outside Australia) between 8.30am and 5.30pm (AEST) on Monday to Friday during the Retail Entitlement Offer period.

For other questions, you should consult your broker, solicitor, accountant, financial adviser or other professional adviser.

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

Yours sincerely



Michael Blakiston
Non-Executive Chairman

Important Notices

The Entitlement Offer is being made by Develop in accordance with section 708AA of the Corporations Act as modified by the ASIC Instruments, meaning that no prospectus or other disclosure document needs to be prepared.

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Develop and the Underwriter. Each of Develop and the Underwriter and each of their respective related bodies corporate (as defined in the Corporations Act) and affiliates and each of their respective directors, officers, employees, partners, consultants, contractors, agents and advisers disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

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 Develop.

The provision of this letter 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 adviser.

*This letter may not be released to US wire services or distributed in the United States. This letter does not constitute an offer to sell, or a solicitation of an offer to buy, 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, entitlements under the Retail Entitlement Offer may not be taken up or exercised by, and the New Shares in the Retail Entitlement Offer may not be offered or sold, directly or indirectly, to persons in the United States or any person that is acting for the account or benefit of a person in the United States, except in transactions that are exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any 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 will only be offered and sold to persons that are not in the United States and are not acting for the account or benefit of a person in the United States.*

Important notice to nominees

Because of legal restrictions, you must not send copies of this letter nor any material relating to the Entitlement Offer to any of your clients (or any other person) in the United States or any other person acting for the account or benefit of persons in the United States or to any person in any other jurisdiction outside of Australia and New Zealand. Failure to comply with these restrictions may result in violations of applicable securities laws. 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.