

Announcement

13 May 2022

Notice of change to terms of Options

Malabar is currently in the process of finalising the funding package for the Maxwell Underground Mine which contains inter alia; senior debt facilities, asset finance, coal prepayments and bank guarantees for government bonding. Malabar expects that these will be completed by the third quarter of 2022 and is therefore extending the **Exercise Period** for the Options issued to Malabar shareholders during the 2021 calendar year.

For the avoidance of doubt, this amendment does not adversely affect your position in terms of the Options provided.

Amendment

We refer to the Options issued to you by Malabar Resources Limited ACN 151 691 468 (**Malabar**) in connection with the Institutional placement undertaken by Malabar on 28 April 2021 and the pro rata non-renounceable entitlement offer undertaken by Malabar and pursuant to a prospectus dated 9 June 2021 (**Options**).

Under the Option terms, an Option may be exercised by you at an **Exercise Price** of \$1.25 per Option any time during the **Exercise Period** commencing on the date of issue of the Option and ending on the earlier of:

- (a) 10 June 2022; or
- (b) 30 days after Malabar gives you notice confirming the mine construction financing terms have been agreed on terms reasonably acceptable to Malabar.

The purpose of this correspondence is to notify you that:

- 1 Malabar is extending the latest date for expiry of the Options under paragraph (a) of the **Exercise Period** above from 10 June 2022 to 10 January 2023. For the avoidance of doubt, the expiry date for the Options as currently contemplated in the Option terms will still apply if a notice is given by Malabar with respect to the mine construction financing; and
- 2 in the future, Malabar may give written notice to you of a reduction in the **Exercise Price** for the Options from \$1.25.

All other terms and conditions in relation to these Options remain unchanged and pursuant to the original offer documents.

You do not need to take any action in response to this correspondence in order to formalise the above extension of the **Exercise Period** or any future reduction in the **Exercise Price** – Malabar will automatically apply these changes to your Options. If you notify us that you do not agree to the above extension of the **Exercise Period** or a future decision of Malabar to reduce the **Exercise**

Price, your Options will expire on 10 June 2022 or such earlier date in accordance with the Option terms and/or will remain exercisable at \$1.25 per Option.

Please contact Lindi-May Lochner on 02 8036 0785 or at llochner@malabarresources.com.au if you have any questions.

Kind regards,

A handwritten signature in blue ink, appearing to read 'W. Seabrook', written in a cursive style.

Wayne Seabrook
Chairman
Malabar Resources Limited