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Not for release to US wire services or distribution in the United States

16 July 2026

Dear Shareholder

NON-RENOUNCEABLE PRO-RATA ENTITLEMENT OFFER – NOTIFICATION TO INELIGIBLE SHAREHOLDERS

On 8 July 2026, Alara Resources Limited (ABN 27 122 892 719) (the **Company**) announced that it was conducting a 3 for 20 pro rata non-renounceable entitlement offer (**Entitlement Offer**) of new fully paid ordinary shares in the Company (**New Shares**), to raise up to approximately A$3.84 million (before costs), at a price of A$0.032 per New Share. New Shares not applied for will form the shortfall (**Shortfall Shares**), comprising of the following:

(a) Eligible Shareholders (as defined below) who have applied for their full Entitlement under the Entitlement Offer may apply for additional Shortfall Shares, subject to scale back on a pro-rata basis (**Shortfall Offer**); and

(b) other investors (by invitation only) may be allocated Shortfall Shares (**Investor Shortfall Offer**),

(Entitlement Offer, Shortfall Offer and Investor Shortfall Offer together, the **Offers**).

The Offers are lead managed by GBA Capital Pty Ltd (**Lead Manager**) and partially underwritten by the Company's major shareholder, Al Tasmin Infrastructure LLC, subject to shareholder approval.

The proceeds of the Offers will be used for ongoing exploration costs at the Company's Block 22B, Block 8 and Daris exploration projects, general working capital costs and corporate, operating and marketing costs and costs associated with the Offers. Please refer to the Company's announcement and prospectus lodged with ASIC and the ASX on 8 July 2026 in respect of the Offers (**Prospectus**) for further details.

This notice is to inform you about the Offers 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, New Shares or Shortfall Shares to you, nor an invitation for you to apply for entitlements, New Shares or Shortfall 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 Offers that you should be aware of.**

Details of the Offers

The Entitlement Offer and Shortfall Offer comprise offers to Eligible Shareholders (as defined below). The Prospectus sets out further details in respect of the Offers. Terms capitalised but otherwise not defined in this letter have the meaning given in the Prospectus.

Eligibility criteria

The Company 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 shareholders outside of Australia, Saudi Arabia, Oman (reverse solicitation only), India, China (Chinese Institutional Investors only), United Arab Emirates (excluding financial zones) and New Zealand in connection with the Entitlement Offer.

The restrictions upon eligibility are due to a number of factors, including the small number of shareholders located outside of those countries, the number and value of fully paid ordinary shares in the Company those shareholders hold and the cost of complying with the applicable laws and regulations and the requirements of any regulatory authority in jurisdictions outside of those countries.

Eligible Shareholders are those persons who are registered as holders of existing Shares as at 5:00pm (AWST) on Monday, 13 July 2026 (**Record Date**) and:

(a) as at the Record Date, have a registered address in Australia, Saudi Arabia, Oman (reverse solicitation only), India, China (Chinese Institutional Investors only), United Arab Emirates (excluding financial zones) or New Zealand and any other jurisdictions as agreed between the Company and the Lead Manager where persons are eligible under all applicable securities laws to receive an offer under the Entitlement Offer and Shortfall Offer; and

(b) 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).

Shareholders who are not Eligible Shareholders are ineligible shareholders (**Ineligible Shareholders**) and are consequently unable to participate in the Entitlement Offer.

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

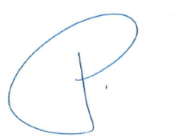
Further information

If you have any queries regarding the Offers, please contact the Company's share registry, Automic Group, by phone on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) or by email to corporate.actions@automicgroup.com.au.

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

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

Yours faithfully



Peter Lee
Executive Chair

IMPORTANT NOTICE AND DISCLAIMER

Determination of eligibility of investors for the purposes of the Offers is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company and the Lead Manager. Each of the Company and the Lead Manager and their respective related bodies corporate (as defined in the Corporations Act) and affiliates and 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 or Shortfall Shares in any jurisdiction outside Australia. 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 or Shortfall Shares in the Company.

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.

NOT FOR DISTRIBUTION OR RELEASE 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. 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 or Shortfall Shares may not be offered or sold 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.

IMPORTANT NOTICE TO NOMINEES

Due to legal restrictions, you must not send copies of this letter nor any material relating to the Offers 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, Saudi Arabia, Oman (reverse solicitation only), India, China (Chinese Institutional Investors only), United Arab Emirates (excluding financial zones) and New Zealand without the consent of the Company. Failure to comply with these restrictions could result in violations of applicable securities laws.