

ASX ANNOUNCEMENT

3 August 2022
ASX Code: MYL

BOARD OF DIRECTORS

Mr Jeff Moore
Non-Executive Chairman

Mr John Lamb
Managing Director

Mr Rowan Caren
Executive Director

Mr Paul Arndt
Non-Executive Director

Mr Steve Hendel
Non-Executive Director

ISSUED CAPITAL

Shares	302 m.
Performance Rights	5 m.
Unlisted Options	1 m.

Mallee Resources Limited

Suite 1, Ground Floor,
9 Havelock Street
West Perth 6005
Western Australia

info@malleeresources.com.au
P +61 (0)8 6147 8100
malleeresources.com.au

ABN: 48 124 943 728

Chairman's Letter to Shareholders in Support of the Capital Raising

The following Chairman's letter will be sent to shareholders.

Authorised for release to the ASX by



Jeffrey Moore
Chairman

Dear Investor,

On behalf of the directors of Mallee Resources Limited (**Mallee** or the **Company**), as an existing investor in the Company, I would like to thank you for your ongoing support in the Company.

As you are no doubt aware, the Company recently completed the acquisition of Allegiance Mining Pty Ltd (Allegiance), which owns the Avebury Nickel Project in western Tasmania (**Avebury Project**).

Completing the Avebury Project acquisition marked the successful conclusion of the Company's search for a new project following the sale of its former Bawdwin Project.

Mallee has issued a prospectus to raise funds to support the Company's reinstatement to trading on ASX (**Prospectus**). The Prospectus seeks to raise a minimum of \$20,000,000 and a maximum of \$70,000,000 via the issue of fully paid ordinary shares (**Shares**) at an issue price of \$0.70 per Share (**Offer**). Investors may apply for a minimum of \$2,000.60 worth of Shares under the Offer. The primary purpose of the Offer is to provide the necessary funds to bring the Avebury Project back into production in the near-term.

As an existing investor in Mallee, any application you make for shares under the Offer, will be favourably received. A copy of the Prospectus is available at <https://apply.automic.com.au/MalleeResources>.

I am truly excited by the significant potential the Avebury Project brings to Mallee and its investors. It is a transformative opportunity, standing well amongst the best nickel sulphide projects in Australia and boasts a well-maintained underground mine, processing plant and site infrastructure.

Nickel is a critical mineral with a strong role to play in decarbonising our world, so I say with conviction that there has rarely been a better time to acquire a nickel sulphide project with a clear path to near-term production.

Mallee is now focused on delivering a rapid re-start of the processing plant during the current Quarter as well as assessing the business case for attaining a net zero carbon status. This is something Mallee and our local stakeholders are highly excited about.

With significant expertise and experience in the mineral resources industry, the Board will ensure funds raised through the Offer will be utilised in a cost-effective manner to advance the Company's business.

The Company's Managing Director, John Lamb, is the former General Manager of the Avebury Project and has an intimate knowledge of the project, the local mineral exploration industry and the relevant regulatory bodies the Company will be working with.



I thank you again for your unwavering support of the Company and look forward to sharing in what we believe are exciting and prospective times ahead.

Yours faithfully

Jeffrey Moore

Chairman

About Mallee Resources Limited

Mallee Resources Limited (ASX: MYL) is an emerging miner listed on the Australian Securities Exchange. The Company wholly owns the Avebury Nickel Sulphide Project in Zeehan, western Tasmania. The Avebury Project hosts JORC (2012) compliant Mineral Resources of 29.3 Mt at 0.9% Ni¹, an underground mine and a modern processing plant and mine infrastructure. The Avebury Mineral Resource is open at depth and along strike and the prospective host geology hosts outstanding exploration potential.

¹ The Mineral Resource estimate including JORC Table 1, sections 1, 2 and 3 and the competent persons statement has been previously reported by the Company in accordance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves' (JORC Code) on 8 April 2022 and is publicly available at <https://bit.ly/3jifzIM>. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

