



9 October 2024

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

**Dear Shareholder**

**Australian Pacific Coal Limited Entitlement Offer – Notification to Eligible Retail Shareholders**

On 2 October 2024, Australian Pacific Coal Limited ACN 089 206 986 (ASX: AQC) (**AQC** or **Company**) announced on ASX that was conducting a capital raising by way of:

- (a) a placement to institutional investors of new fully paid ordinary shares in AQC (**New Shares**) (**Placement**) to raise approximately A\$9.6 million; and
- (b) an accelerated non-renounceable pro rata entitlement offer to eligible shareholders to subscribe for 1 New Share for every 6.16 existing fully paid ordinary shares in AQC (**Shares**) held as at 7.00pm (Sydney, Australia time) on 4 October 2024 (**Record Date**) (**Entitlement**) at an issue price of A\$0.12 (**Offer Price**) per New Share (**Entitlement Offer**).

The Entitlement Offer and the Placement are together the **Offer**, as the context requires. The net proceeds from the Offer will be used:

- to satisfy the Company's 50% share of the A\$20 million subordinated debt facility (being A\$10 million), which was announced to the ASX together with the Entitlement Offer;
- to meet general working capital requirements of the Company; and
- to cover the fees associated with the Entitlement Offer.

As announced to ASX on 4 October 2024, AQC has now successfully raised approximately A\$9.6 million from the Placement and approximately A\$6.9 million from AQC's Eligible Institutional Shareholders (**Institutional Entitlement Offer**).

**What is the Retail Entitlement Offer?**

The Entitlement Offer comprises the Institutional Entitlement Offer and an offer to Eligible Retail Shareholders (**Retail Entitlement Offer**).

Under the Retail Entitlement Offer, Eligible Retail Shareholders have the opportunity to invest at the same Offer Price and offer ratio as the Institutional Entitlement Offer.

This letter is to inform you about the Entitlement Offer and to explain that, as an Eligible Retail Shareholder you are entitled to subscribe for 1 New Share for every 6.16 Shares held on the Record Date. In the event of any fractions of Shares occur as a result of the subscription under this Entitlement Offer, your Entitlements will be rounded up to the nearest whole number.

You may subscribe for some or all of your maximum Entitlement under this Entitlement Offer.

If you take up your full Entitlement, you may also apply for additional New Shares up to a maximum of 25% in excess of your Entitlement, at the Offer Price (**Top Up Facility**). Additional New Shares will only be available where there is a shortfall between Applications received from Eligible Retail Shareholders and the number of New Shares proposed to be issued under the Retail Entitlement Offer. AQC retains the flexibility to scale back Applications for New Shares at its discretion.



The Entitlement Offer is non-renounceable which means that Entitlements are non-transferable and cannot be traded on the Australian Securities Exchange or any other exchange, nor can they be privately transferred. If Eligible Retail Shareholders take no action, they will not be allocated New Shares or receive any value in respect of the Entitlements they do not take up and their Entitlements will lapse.

AQC does not intend to extend the Retail Entitlement Offer to jurisdictions outside of Australia and New Zealand.

The Retail Entitlement Offer opens on 9 October 2024 and is due to close at 5.00pm (Sydney time) on 24 October 2024.

This letter is not an offer document but rather an advance notice of some key terms and conditions of the Retail Entitlement Offer. Further details on the Retail Entitlement Offer are found in the Retail Offer Booklet that was lodged on ASX on 9 October 2024. You should read the Retail Offer Booklet in full before making any Application for New Shares.

**How to Access the Retail Entitlement Offer and Retail Offer Booklet**

You can access a copy of the Retail Offer Booklet and Apply for the Retail Entitlement Offer in the following ways:

ONLINE (BPAY) – You can apply for the offer and access your payment details (including the BPAY® payment details) via <https://events.miracle.com/aqc-anreo>. You will need to provide your Securityholder Reference Number (SRN), Holder Identification Number (HIN), or Employee Number and postcode and follow the instructions to apply for New Shares.

ONLINE (EFT) – EFT payment can only be used by entitled New Zealand holders; details can be accessed via <https://events.miracle.com/aqc-anreo>. You will need to provide your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and postcode and follow the instructions to apply for New Shares. When submitting an application via EFT, your Securityholder Reference Number (SRN), Holder Identification Number (HIN) or Employee number must be used as reference for the payment. Your application form and monies must be received by AQC by no later than 5.00pm (Sydney time) on 24 October 2024, unless this date is otherwise extended by AQC at its sole discretion. Please return your application form via email to [capitalmarkets@linkmarketservices.com.au](mailto:capitalmarkets@linkmarketservices.com.au) if you are applying via EFT otherwise your application will not be accepted.

**Key dates for the Retail Entitlement Offer**

Activity	Date
Announcement of the Entitlement Offer	2 October 2024
Record Date for Entitlement Offer (7.00pm Sydney time)	4 October 2024
Retail Offer Booklet and Entitlement and Acceptance Form made available	9 October 2024
<b>Retail Entitlement Offer opens</b>	<b>9 October 2024</b>
Settlement of New Shares under the Placement and Institutional Entitlement Offer	10 October 2024

Allotment and issue of New Shares under the Placement and Institutional Entitlement Offer and commencement of trading on a normal settlement basis	11 October 2024
<b>Retail Entitlement Offer closes (5.00pm Sydney Time)</b>	<b>24 October 2024</b>
Announcement of the results of the Retail Entitlement Offer	28 October 2024
Settlement of New Shares issued under the Retail Entitlement Offer	30 October 2024
Allotment and issue of New Shares under the Retail Entitlement Offer	31 October 2024
Commencement of trading of New Shares issued under the Retail Entitlement Offer on a normal settlement basis	1 November 2024
Dispatch of holding statements for New Shares issued under the Retail Entitlement Offer	4 November 2024

*This timetable above is indicative only and may change. AQC reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, AQC reserves the right to extend the closing date for the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the allotment date of New Shares. AQC also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants.*

### Further Information

Should you have any questions relating to the Entitlement Offer, please contact the AQC Entitlement Offer Information Line on 1300 794 935 (local call from within Australia) or +61 1300 794 935 (from outside Australia) from 8.30am to 5.30pm (Sydney, Australia time) Monday to Friday during the offer period for the Retail Entitlement Offer.

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

Yours sincerely,



John Robinson

Chairman

Australian Pacific Coal Limited



## **DISCLAIMER**

This letter is 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 securities in AQC in any jurisdiction.

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 advisor.

## **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States, or in any other jurisdiction in which, or to any person to whom, such an offer would be illegal. No action has been or will be taken to register, qualify or otherwise permit a public offering of the Entitlements or the New Shares under the Retail Entitlement Offer in any jurisdiction outside Australia and New Zealand. In particular, neither the Entitlements nor the New Shares have been, or will 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 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 acting for the account or benefit of any person in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other 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 may 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, in each case in “offshore transactions” (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

Canaccord Genuity (Australia) Limited as lead manager for the Offer and underwriter for the Entitlement Offer (**Lead Manager**) has not authorised or caused the issue of this letter or made or authorised the making of any statement that is included in this letter or any statement on which a statement in this letter is based. To the maximum extent permitted by law, the Lead Manager, and its respective related bodies corporate and affiliates and the directors, officers, employees or advisers and representatives of any of them expressly disclaim and take no responsibility for any statements in or omissions from this letter.

**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 or New Zealand. Failure to comply with these restrictions may result in violations of applicable securities.