

14 November 2017

WAIVER OF ASX LISTING RULE 14.7

At its upcoming Annual General Meeting on Thursday, 16 November 2017, Xanadu Mines Ltd (**ASX: XAM - “Xanadu” or “Company”**) is asking shareholders to pass a resolution for the purposes of ASX Listing Rule 7.4, to ratify the issue of 76,785,295 shares that were issued pursuant to a placement announced on 28 September 2017 (**Resolution 1**).

Xanadu has included a voting exclusion statement in relation to Resolution 1 in its Notice of Extraordinary General Meeting, which was sent to its shareholders on 10 October 2017. The voting exclusion statement states that Xanadu will disregard votes cast on Resolution 1 by a person (and their associates) who participated in the issue referred to in Resolution 1.

Xanadu advises that ASX Limited has granted a waiver from ASX Listing Rule 14.7 so that Xanadu need not disregard votes cast on Resolution 1 by shareholders who participated in the issue, to the extent only that those holders are acting solely in a fiduciary, nominee or custodial capacity (**Nominee Holders**) on behalf of beneficiaries who did not participate in the issue on the following conditions:

1. The beneficiaries provide written confirmation to the Nominee Holders that they did not participate in the issue, nor are they an associate of a person who participated in the issue.
2. The beneficiaries direct the Nominee Holders how to vote on the Resolution.
3. The Nominee Holders do not exercise discretion in casting a vote on behalf of the beneficiaries.
4. The terms of the waiver are immediately released to the market.

For further information, please contact:

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