



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

8 October 2018

Dear Option Holder

WHITE ENERGY COMPANY LIMITED PRO RATA RENOUNCEABLE ENTITLEMENT OFFER – LETTER TO OPTION HOLDER

I am writing to you as a holder of options over ordinary shares in White Energy Company Limited (**Company** or **WEC**) as at the date of this letter.

As announced on 8 October 2018, the Company is undertaking a pro rata renounceable entitlement offer on the basis of one new fully paid ordinary share in the Company (**New Share**) for every one existing ordinary share in the Company held as at 7.00pm (Sydney time) on 11 October 2018 (**Record Date**) for an issue price of \$0.07 per New Share (**Issue Price**) to raise up to \$22.99 million before costs (**Entitlement Offer**).

The proceeds of the Entitlement Offer will be used to fund WEC's ongoing legal proceedings against PT Bayan Resources Tbk and Bayan International Pte Ltd, to repay unsecured loans made to WEC by entities associated with two WEC directors (Travers Duncan and Brian Flannery) and for general working capital.

The Entitlement Offer is not underwritten.

The Entitlement Offer will be available to eligible shareholders only. Eligible Shareholders are WEC shareholders as at the Record Date who have a registered address in Australia and New Zealand or who are shareholders that WEC has otherwise determined are eligible to participate in the Entitlement Offer, including certain institutional shareholders in the United Kingdom.

Further details of the Entitlement Offer are contained in an offer document which will be distributed to Eligible Shareholders on 16 October 2018. The offer document has been lodged with Australian Securities Exchange (**ASX**) and is available on the ASX website at www.asx.com.au.

The purpose of this letter is to give you notice, as an option holder in the Company, that if you wish to participate in the Entitlement Offer in relation to the shares underlying your options, you must exercise your options before the Record Date.

Notice of exercise of your options and payments of the exercise price of the options must be received by the Company on or before 7.00pm (Sydney time) 11 October 2018. Any notice of exercise of options received after this date cannot be assured of the allotment of shares by the Record Date.



There is no obligation for you to exercise your options. This letter is intended to inform you of your rights in relation to your options and the Entitlement Offer. If you do not wish to participate in the Entitlement offer, you do not need to take any action.

Key dates

The indicative timetable for the Entitlement Offer is as follows:

Activity	Date
Announcement of the Entitlement Offer	Prior to commencement of trading on 8 October 2018
Ex Date for Entitlement Offer	10 October 2018
Entitlement trading commences on a deferred settlement basis	
Record Date for Entitlement Offer (7.00pm Sydney time)	11 October 2018
Offer Document and Entitlement and Acceptance Form despatched	16 October 2018
Entitlement Offer opens	
Entitlement trading ends	30 October 2018
Closing date for acceptances under Entitlement Offer (5.00pm Sydney time)	6 November 2018
Announcement of results of Entitlement Offer and under-subscriptions	9 November 2018
Allotment of New Shares under the Entitlement Offer	13 November 2018
Normal ASX trading for New Shares issued under the Entitlement Offer commences	14 November 2018
Despatch of holding statements for New Shares issued under the Entitlement Offer	15 November 2018

Notes:

All references to time are to the time in Sydney, New South Wales.

This timetable is indicative only and subject to change. The WEC Directors may vary these dates, subject to the ASX Listing Rules. An extension of the Closing Date will delay the anticipated date for issue of the New Shares. The WEC Directors also reserve the right not to proceed with the whole or part of the Entitlement Offer any time before the allotment and issue of the New Shares. In that event, the relevant application monies (without interest) will be returned in full to applicants.



For further information, please contact David Franks, Company Secretary, on +61 2 9299 9690, or contact your stockbroker, accountant or other professional adviser.

Yours sincerely,

A handwritten signature in blue ink that reads "Travers Duncan". The signature is written in a cursive style.

Travers Duncan
Chairman
White Energy Company Limited