



9 January 2019: ASX ANNOUNCEMENT (ASX: LCK)

Dear Shareholder,

Leigh Creek Energy Limited Non-Renounceable Rights Offer

On behalf of the Board of Leigh Creek Energy Limited (**Company**), I am pleased to present you with the opportunity to participate in a 1 for 15 non-renounceable pro rata rights issue of new fully paid ordinary shares in the Company (**New Shares**) at an issue price of \$0.12 per New Share (**Offer Price**) to raise approximately \$3.86 million (**Offer**). The details of the Offer are set out in the offer document dated 8 January 2019 and lodged with ASX on that date (**Offer Document**). Unless otherwise defined, capitalised terms used in this letter have the meaning set out in the Offer Document.

On 17 December 2018, Leigh Creek Energy announced that it had completed a placement of shares at \$0.12 each to institutional and sophisticated investors to raise \$1.28 million (before costs) (**Placement**). The Shares to be issued as a result of the Placement will be eligible to participate in the Offer. On this date, the Company also announced its intention to conduct a 1 for 15 non-renounceable pro rata rights issue at the same price.

Shareholders who hold Shares at 7.00pm (ACDT) on 11 January 2019, and have a registered address in Australia, New Zealand, British Virgin Islands or Hong Kong, will be eligible to participate in the Offer (**Eligible Shareholders**). The Offer is being carried out in accordance with section 708AA of the Corporations Act, as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Instrument 18-1156. Eligible Shareholders will be sent a copy of the Offer Document and personalised application form on 16 January 2019.

The maximum number of New Shares to be issued under the Offer is 32,144,484 (based on the undiluted share capital of the Company as at the close of trade on 7 January 2019, without taking into account the impact of rounding). The New Shares issued will rank equally with existing shares and the Company has applied for quotation of the New Shares.

The Offer is non-renounceable. This means that shareholders' right to subscribe for New Shares under the Offer are not transferable.

The Offer will be conducted without a prospectus in accordance with section 708AA of the Corporations Act 2001 (Cth) (Act), as modified by ASIC Instrument 18-1156.

Full details of the Offer are set out in the Offer Document and Appendix 3B lodged with ASX on 8 January 2019. The Offer Document is available to download at both www.asx.com.au using ASX code "LCK" and at Leigh Creek Energy Limited's website www.lcke.com.au and will be posted to eligible shareholders on 16 January 2019.

Fractional entitlements will be rounded up to the nearest whole number. Shareholder approval is not required for the Offer.

Leigh Creek Energy Limited currently has 22,763,500 unlisted options on issue and has received shareholder approval at its 2018 General Meeting to issue a further 10,000,000 options. Notice of the Offer was sent to optionholders on 8 January 2019 in order to enable them to exercise their options prior to the Record Date and participate in the Offer in respect of the shares underlying their options. If all or some of these options are exercised prior to the Record Date this will impact the maximum number of shares to be issued under the Offer. There are no brokers or underwriters to the Offer and no fees or commissions that are payable.

Indicative Timetable

Event	Date
Lodgement of Offer Document, Appendix 3B and s708AA Cleansing Notice with ASX	8 January 2019
Notice sent to Option holders	8 January 2019
Notice sent to Shareholders	9 January 2019
Ex date	10 January 2019
Record Date for determining Entitlements	7pm ACDT 11 January 2019
Offer Documents sent out to Eligible Shareholders and Company announces this has been completed and Offer Opening Date	16 January 2019
Last Day to extend Closing Date	25 January 2019
Closing Date	5pm ACDT 31 January 2019
Shares quoted on a deferred settlement basis	1 February 2019
ASX notified of under subscriptions	5 February 2019
Issue date/Shares entered into Shareholders' security holdings	7 February 2019

The dates in the table above are indicative only and the Company reserves the right to vary them in accordance with the requirements of the ASX Listing Rules.

Use of Funds from Offer

The funds raised under this Offer will be used for project development and general working capital.

Eligible Shareholders

The Company has decided it is unreasonable to make the Offer to shareholders who have a registered address in a country outside of Australia, New Zealand, British Virgin Islands or Hong Kong having regard to the number of shareholders in such places, the number and value of the New Shares they would be offered and the substantial costs of complying with the legal and regulatory requirements in those jurisdictions. The Company has not appointed a nominee to sell the entitlements of excluded foreign shareholders.

Any questions concerning the Offer should be directed to Jordan Mehrtens, Company Secretary, on +61 8 8132 9104 or at jordan.mehrtens@lcke.com.au.

Yours faithfully,



Justyn Peters
Executive Chairman