



31 October 2019

The Manager
ASX Market Announcements
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Letter to Shareholders

Please find attached for release to the market a letter to shareholders in relation to the non-renouncement Entitlement Offer for Terramin Australia Limited.

The letter has been sent to all shareholders.



31 October 2019

Dear Shareholder

Non-Renounceable Entitlement Offer

On Wednesday, 30 October 2019, Terramin Australia Limited (**Terramin** or the **Company**) announced a 1 for 3 non-renounceable entitlement offer of ordinary shares in the Company (**New Shares**) at an issue price of \$0.035 (3.5 cents) per share (**Entitlement Offer**).

The Entitlement Offer seeks to raise approximately \$21.8 million (before issue costs), through the issue of up to approximately 623,200,457 New Shares.

Terramin invites shareholders who are registered as shareholders of the Company at 7.00pm (AEDT) on Monday, 4 November 2019 (**Record Date**), and who have a registered address in Australia, New Zealand, Singapore, Hong Kong, China and British Virgin Islands (**Eligible Shareholders**) to participate in the Entitlement Offer.

This offer is only being extended to shareholders with registered addresses in Australia, New Zealand, Singapore, Hong Kong, China and British Virgin Islands. All other shareholders (Ineligible Foreign Shareholders) will not be offered entitlements under this issue. The Company has determined, in accordance with the Corporations Act and the ASX Listing Rules, that it would be unreasonable to make the offer to Ineligible Foreign Shareholders having regard to the number of shareholders in the places where the offer would be made, the number and value of the rights that would be offered, and the cost of complying with the legal requirements in those places.

Full details of the Entitlement Offer are contained in the offer booklet lodged with ASX on Wednesday, 30 October 2019 (**Offer Booklet**). The Offer Booklet together with the Entitlement and Acceptance Form will be despatched to all Eligible Shareholders on Thursday, 7 November 2019. A copy of the Offer Booklet is available on the Terramin website. Pursuant to section 708AA of the Corporations Act, the Company is not required to prepare a disclosure document for the Entitlement Offer.

Key dates which shareholders should note are as follows:

Date	Event
Monday, 4 November	Entitlements Issue Record Date
Thursday, 7 November	Entitlements Issue opens and Offer Booklet despatched
Monday, 2 December	Entitlements Issue offer closes at 5.00 pm (Adelaide time)
Tuesday, 3 December	New Shares quoted on a deferred settlement basis
Thursday, 5 December	Entitlements Issue shortfall notified to ASX

Date	Event
Monday, 9 December	Entitlements Issue shares allotted Deferred settlement trading ends
Tuesday, 10 December	Normal (T+2) trading of New Shares commences

The above dates are indicative and may be subject to change. The Company reserves the right to amend this timetable subject to the Corporations Act and the ASX Listing Rules.

Use of funds

The proceeds of the Entitlement Offer will be used to fund partial principal repayment of the Company's short term debt facilities with Asipac, for general working capital requirements, including holding costs of WMZ in Algeria and for the final approval phase of the Company's Bird in Hand Project and further exploration and development of Terramin tenements.

Full details of the use of funds are contained in the Offer Booklet.

Yours faithfully



Michael Kennedy
Deputy Chairman