

12 December 2019

Dear Shareholder

### **Entitlement Offer - Notification to Ineligible Shareholders**

As you may be aware, AuStar Gold Limited (**AuStar**) announced on 5 December 2019 that it intends to raise up to approximately \$7.5 million (before costs) through a capital raising comprising:

- a placement of fully paid ordinary shares to certain institutional and sophisticated investors to raise approximately \$2.5 million; and
- a 1 for 2 partially underwritten pro-rata non-renounceable entitlement offer of fully paid ordinary shares to existing Eligible Shareholders to raise up to approximately \$5,085,545 (**Entitlement Offer**).

The Entitlement Offer comprises an offer to shareholders who have a registered address in Australia and New Zealand, on the basis of 1 new share for every 2 existing AuStar ordinary shares held at 7.00 pm (Melbourne time) on 17 December 2019. AuStar has today lodged a Prospectus for the Entitlement Offer with ASIC and ASX which sets out further details in respect of the Entitlement Offer.

As your AuStar shares are registered with an address outside the above jurisdictions, you do not satisfy the eligibility criteria to be classified as an Eligible Shareholder. Under the terms of the Entitlement Offer, you are not eligible to subscribe for new shares and you will not be sent a copy of the Prospectus.

### **What will happen to your entitlement?**

As the Entitlement Offer is non-renounceable, you will not receive any payment or value for entitlements in respect of any new shares that would have been offered to you if you were eligible. This notice is to inform you about the Entitlement Offer. This letter is not an offer to issue new shares to you, nor an invitation for you to apply for new shares.

You are not required to do anything in response to this letter.

Yours faithfully



Frank Terranova

Chairman

AuStar Gold Limited